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建業地產股份有限公司 *

Central China Real Estate Limited

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 0832)

**ANNUAL RESULTS ANNOUNCEMENT
FOR THE YEAR ENDED 31 DECEMBER 2020**

FINANCIAL HIGHLIGHTS

- Revenue for the year ended 31 December 2020 amounted to approximately RMB43,304 million, representing an increase of approximately 40.8% as compared with 2019.
- Gross profit margin for the year was 19.9%, representing a decrease of 6.1 percentage points as compared with 2019.
- Gross profit from core business for the year was RMB7,321 million, representing an increase of approximately 7.0% as compared with 2019.
- Profit attributable to equity shareholders of the Company for the year amounted to approximately RMB1,802 million, representing a decrease of approximately 10.6% as compared with 2019.
- Profit attributable to equity shareholders of the Company for the year before changes in fair value of derivative financial instruments, including foreign exchange forward contracts, foreign exchange option contracts and foreign exchange swap contracts, was approximately RMB2,414 million, representing an increase of 28.7% as compared with 2019.
- Profit for the year was approximately RMB2,102 million, representing a decrease of approximately 13.0% as compared with 2019.
- Profit margin for the year was 4.9%, representing a decrease of 3.0 percentage points as compared with 2019.
- Basic earnings per share for the year was RMB64.70 cents, a decrease of approximately 12.3% as compared with 2019.
- The Board recommended to declare a final dividend of HK\$26.80 cents (approximately RMB22.65 cents) per share.

ANNUAL RESULTS

The Board announces the consolidated results (the “Annual Results”) of the Group for the year ended 31 December 2020 with comparative figures for the preceding financial year, as follows:

CONSOLIDATED INCOME STATEMENT

for the year ended 31 December 2020

(Expressed in Renminbi)

		2020	2019
	Note	RMB'000	RMB'000
Revenue	2	43,304,417	30,766,698
Cost of sales		<u>(34,708,373)</u>	<u>(22,761,356)</u>
Gross profit		8,596,044	8,005,342
Other revenue	3	396,031	262,766
Other net income	3	649,894	799,526
Selling and marketing expenses		(1,870,867)	(1,901,334)
General and administrative expenses		(1,746,011)	(1,721,783)
Impairment losses on trade and other receivables and contract assets		<u>(273,493)</u>	<u>(169,642)</u>
		5,751,598	5,274,875
Finance costs	4(a)	(1,271,834)	(395,249)
Share of profits less losses of associates	7	25,030	(33,918)
Share of profits less losses of joint ventures	8	<u>337,117</u>	<u>177,868</u>
Profit before change in fair value of investment property and income tax		4,841,911	5,023,576
Net valuation gain on investment property		<u>93,356</u>	<u>92,773</u>
Profit before taxation	4	4,935,267	5,116,349
Income tax	5(a)	<u>(2,833,706)</u>	<u>(2,700,827)</u>
Profit for the year		<u><u>2,101,561</u></u>	<u><u>2,415,522</u></u>

		2020	2019
	<i>Note</i>	<i>RMB'000</i>	<i>RMB'000</i>
Attributable to:			
Equity shareholders of the Company		1,801,508	2,015,064
Non-controlling interests		<u>300,053</u>	<u>400,458</u>
Profit for the year		<u>2,101,561</u>	<u>2,415,522</u>
Earnings per share	<i>6</i>		
– Basic (RMB cents)		64.70	73.75
– Diluted (RMB cents)		<u>63.60</u>	<u>72.34</u>

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

for the year ended 31 December 2020

(Expressed in Renminbi)

	Note	2020 RMB'000	2019 RMB'000
Profit for the year		2,101,561	2,415,522
Other comprehensive income for the year (after tax and reclassification adjustments)			
<i>Items that will not be reclassified to profit or loss:</i>			
Equity investments at fair value through other comprehensive income – net movement in fair value reserve (non-recycling)		(20,495)	(59,422)
<i>Items that may be reclassified subsequently to profit or loss:</i>			
Exchange differences on:			
– Translation of financial statements to the presentation currency		432,699	(199,011)
– Arising on a monetary item that forms part of net investment in foreign operations		322,766	(114,363)
Cash flow hedge: net movement in the hedging reserve		–	(529)
Other comprehensive income for the year		734,970	(373,325)
Total comprehensive income for the year		2,836,531	2,042,197
Attributable to:			
Equity shareholders of the Company		2,536,522	1,642,817
Non-controlling interests		300,009	399,380
Total comprehensive income for the year		2,836,531	2,042,197

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

at 31 December 2020

(Expressed in Renminbi)

	Note	2020 RMB'000	2019 RMB'000
Non-current assets			
Property, plant and equipment		7,232,353	5,343,435
Investment property		4,080,100	3,212,830
Goodwill		1,045,660	–
Biological assets		218,001	245,349
Interests in associates	7	215,648	310,518
Interests in joint ventures	8	5,480,835	9,533,912
Other financial assets		567,409	1,425,571
Deferred tax assets		376,490	412,877
		<u>19,216,496</u>	<u>20,484,492</u>
Current assets			
Trading securities		62,059	70,596
Biological assets		42,400	42,643
Inventories and other contract costs	9	89,430,850	69,992,554
Contract assets		242,608	214,828
Trade and other receivables	10	5,160,062	4,435,453
Deposits and prepayments	11	17,583,158	15,146,290
Tax recoverable		2,836,267	2,795,431
Restricted bank deposits		6,707,913	8,077,443
Cash and cash equivalents		22,618,964	22,707,659
		<u>144,684,281</u>	<u>123,482,897</u>
Current liabilities			
Bank loans	12	(3,612,904)	(3,734,424)
Other loans	13	(1,443,900)	(2,437,022)
Trade and other payables	14	(50,728,425)	(43,615,817)
Contract liabilities		(63,298,581)	(52,954,902)
Corporate bonds		(2,999,970)	(1,489,608)
Senior notes		(7,201,463)	(4,857,923)
Lease liabilities		(130,096)	(54,268)
Taxation payable		(1,223,219)	(1,153,501)
		<u>(130,638,558)</u>	<u>(110,297,465)</u>
Net current assets		<u>14,045,723</u>	<u>13,185,432</u>
Total assets less current liabilities		<u>33,262,219</u>	<u>33,669,924</u>

		2020	2019
	<i>Note</i>	<i>RMB'000</i>	<i>RMB'000</i>
Non-current liabilities			
Bank loans	12	(1,888,125)	(3,504,035)
Other loans	13	(1,163,000)	(850,325)
Corporate bonds		–	(1,499,870)
Senior notes		(12,994,360)	(13,117,418)
Lease liabilities		(756,882)	(481,508)
Deferred tax liabilities		(1,877,817)	(1,614,447)
		<u>(18,680,184)</u>	<u>(21,067,603)</u>
NET ASSETS		<u>14,582,035</u>	<u>12,602,321</u>
CAPITAL AND RESERVES			
Share capital		258,195	240,662
Reserves		<u>11,118,459</u>	<u>9,477,363</u>
Total equity attributable to equity shareholders of the Company		11,376,654	9,718,025
Non-controlling interests		<u>3,205,381</u>	<u>2,884,296</u>
TOTAL EQUITY		<u>14,582,035</u>	<u>12,602,321</u>

NOTES TO THE FINANCIAL STATEMENTS

(Expressed in Renminbi)

Central China Real Estate Limited (“the Company”) is a limited liability company incorporated in the Cayman Islands on 15 November 2007. Its principal place of business is at Room 7701B–7702A, 77th Floor, International Commerce Centre, 1 Austin Road West, Kowloon, Hong Kong and has its registered office at Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands. The principal activity of the Company is investment holding and its subsidiaries are principally engaged in property development in Henan Province in the People’s Republic of China (“the PRC”).

1 SIGNIFICANT ACCOUNTING POLICIES

(a) Statement of compliance

These financial statements have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards (“HKFRSs”), which collective term includes all applicable individual Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards (“HKASs”) and Interpretations issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”), accounting principles generally accepted in Hong Kong and the disclosure requirements of the Hong Kong Companies Ordinance. These financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited. Significant accounting policies adopted by the Group are disclosed below.

The HKICPA has issued certain amendments to HKFRSs that are first effective or available for early adoption for the current accounting period of the Group. Note 1(c) 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 periods reflected in these financial statements.

(b) Basis of preparation and functional and presentation currency

- (i) The consolidated financial statements for the year ended 31 December 2020 comprise the Company and its subsidiaries (together referred to as “the Group”) and the Group’s interest in associates and joint ventures. The consolidated financial statements are presented in Renminbi (“RMB”) rounded to the nearest thousand, while the Company’s functional currency is the Hong Kong dollar (“HK\$”).

(ii) The measurement basis used in the preparation of the 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 property, including interests in leasehold land and buildings held as investment property where the Group is the registered owner of the property interest;
- investments in debt and equity securities; and
- derivative financial instruments; and
- biological assets.

The preparation of financial statements in conformity with HKFRSs 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.

(c) Changes in accounting policies

The Group has applied the following amendments to HKFRSs issued by the HKICPA to these financial statements for the current accounting period:

- Amendments to HKFRS 3, Definition of a Business
- Amendment to HKFRS 16, Covid-19-Related Rent Concessions

Other than the amendment to HKFRS 16, the Group has not applied any new standard or interpretation that is not yet effective for the current accounting period. None of these developments have had a material effect on how the Group's results and financial position for the current or prior periods have been prepared or presented in the consolidated financial statements.

2 REVENUE AND SEGMENT REPORTING

(a) Revenue

The principal activities of the Group are property development, property leasing, hotel operations and provision of project management service. Revenue of the Group for the period is analysed as follows:

(i) Disaggregation of revenue

Disaggregation of revenue from contracts with customers by major products or service lines is as follows:

	2020 <i>RMB'000</i>	2019 <i>RMB'000</i>
Revenue from contracts with customers within the scope of HKFRS15		
Disaggregated by major products or service lines		
– Sales of properties	41,606,820	29,161,164
– Revenue from hotel operations	265,866	322,598
– Revenue from project management service	1,120,782	1,022,918
– Others	172,547	96,954
	<u>43,166,015</u>	<u>30,603,634</u>
Revenue from other sources		
Rental income from investment properties		
– Lease payments that are fixed or depend on an index or a rate	94,899	95,493
– Variable lease payments that do not depend on an index or a rate	16,466	18,114
Rental income from properties for sale		
– Lease payments that are fixed or depend on an index or a rate	27,002	48,306
– Variable lease payments that do not depend on an index or a rate	35	1,151
	<u>138,402</u>	<u>163,064</u>
	<u><u>43,304,417</u></u>	<u><u>30,766,698</u></u>

Disaggregation of revenue from contracts with customers by timing of revenue recognition is as follows:

	2020 <i>RMB'000</i>	2019 <i>RMB'000</i>
Point in time		
– Sales of properties	31,955,459	20,627,128
– Revenue from hotel operations	265,866	322,598
– Others	172,547	96,954
	<u>32,393,872</u>	<u>21,046,680</u>
Over time		
– Sales of properties	9,651,361	8,534,036
– Revenue from project management service	1,120,782	1,022,918
– Rental income from investment properties	111,365	113,607
– Rental income from properties for sale	27,037	49,457
	<u>10,910,545</u>	<u>9,720,018</u>
	<u><u>43,304,417</u></u>	<u><u>30,766,698</u></u>

The Group's customer base is diversified and none of the customers of the Group with whom transactions have exceeded 10% of the Group's revenue.

(ii) *Revenue expected to be recognised in the future arising from sales of properties and project management service*

As at 31 December 2020, the aggregated amount of the transaction price allocated to the remaining performance obligations under the Group's existing contracts is RMB76,503,962,000 (2019: RMB65,337,188,000). This amount represents revenue expected to be recognised in the future from pre-completion sales contracts for properties under development and project management service entered into by the customers with the Group. This amount includes the interest component of pre-completion properties sales contracts under which the Group obtains significant financing benefits from the customers. The Group will recognise the expected revenue in future when or as the control is transferred or by measuring the progress towards complete satisfaction of the performance obligation, which is generally expected to occur over the next 12 to 36 months for sales of properties or over the next 12 to 48 months for project management service.

The above amount does not include any amounts of completion bonuses that the Group may earn in the future by meeting the conditions set out in the Group's project management service contracts with customers, unless at the reporting date it is highly probable that the Group will satisfy the conditions for earning those bonuses.

(b) Segment reporting

(i) Services from which reportable segments derive their revenue

Information reported to the Group's chief operating decision maker for the purposes of resource allocation and assessment of segment performance is more focused on the Group as a whole, as all of the Group's activities are considered to be primarily dependent on the performance on property development. Resources are allocated based on what is beneficial for the Group in enhancing its property development activities as a whole rather than any specific service. Performance assessment is based on the results of the Group as a whole. Therefore, management considers there is only one operating segment under the requirements of HKFRS 8, Operating segments.

(ii) Geographical information

No geographical information is shown as the revenue and profit from operations of the Group is substantially derived from activities in the PRC.

3 OTHER REVENUE AND OTHER NET INCOME

	2020 <i>RMB'000</i>	2019 <i>RMB'000</i>
Other revenue		
Interest income	361,038	249,780
Dividend income from equity securities	4,533	6,149
Government grants	13,665	6,304
Others	16,795	533
	<u>396,031</u>	<u>262,766</u>
Other net income		
Net realised and unrealised gain on financial assets measured at FVPL	17,195	9,523
Inventory write-down (<i>note 9(a)</i>)	(591,269)	(68,539)
Changes in fair value of biological assets less cost to sell	(7,056)	11,400
Net loss on disposals of property, plant and equipment	(2,436)	(4,425)
Net gain on disposals and deemed disposals of subsidiaries	129,539	68,138
Net fair value gain on deemed disposals of joint ventures (<i>notes 8(a)</i>)	894,029	425,729
Net gain on disposal of joint ventures	18,450	441,240
Net fair value gain on deemed disposals of associates	8,399	19,415
Net gain on disposal of associates	6,820	–
Net exchange gain/(loss)	293,966	(49,204)
Others	(117,743)	(53,751)
	<u>649,894</u>	<u>799,526</u>

4 PROFIT BEFORE TAXATION

Profit before taxation is arrived at after charging/(crediting):

	2020 <i>RMB'000</i>	2019 <i>RMB'000</i>
(a) Finance costs		
Interest on bank loans and other borrowings	2,643,537	2,235,875
Interest on lease liabilities	43,998	28,864
Interest accrued on advance payments from customers	<u>2,525,418</u>	<u>2,296,175</u>
Total interest expense on financial liabilities not at fair value through profit or loss	5,212,953	4,560,914
Less: Borrowing costs capitalised into properties under development*	<u>(4,608,599)</u>	<u>(4,091,577)</u>
	<u>604,354</u>	<u>469,337</u>
Net change in fair value of derivatives		
– call options	54,518	65,378
– foreign exchange rate swap contract	72,701	(68,305)
– foreign exchange forward contracts and option contracts (note 10(e))	<u>540,261</u>	<u>(71,161)</u>
	<u>667,480</u>	<u>(74,088)</u>
	<u><u>1,271,834</u></u>	<u><u>395,249</u></u>

Note:

* The capitalisation rate used to capitalise interest on general borrowings in 2020 was 7.57% per annum (2019: 7.36% per annum).

	2020 <i>RMB'000</i>	2019 <i>RMB'000</i>
(b) Staff costs		
Contributions to defined contribution retirement plan	19,633	156,732
Equity settled share-based payment expenses	29,737	62,690
Salaries, wages and other benefits	<u>906,577</u>	<u>800,766</u>
	<u>955,947</u>	<u>1,020,188</u>

Employees of the Group's subsidiaries in the PRC ("PRC subsidiaries") are required to participate in defined contribution retirement schemes which are administered and operated by the local municipal government. The PRC subsidiaries contribute funds which are calculated on certain percentage of the average employee salary as agreed by the local municipal government to the scheme to fund the retirement benefits of the employees.

The Group also participates in a Mandatory Provident Fund Scheme ("the MPF Scheme") for all qualifying employees in Hong Kong. The Group's and employee's contributions to the MPF Scheme are based on 5% of the relevant income of the relevant employee (up to a cap of monthly relevant income of HK\$30,000) and in accordance with the requirements of the Mandatory Provident Fund Schemes Ordinance and related regulations.

The Group has no other material obligation for the payment of retirement benefits associated with these schemes beyond the annual contributions described above.

Due to the impact of the outbreak of COVID-19, a number of policies including the relief of social insurance have been promulgated by the government since February 2020 to expedite resumption of economic activities, which contributed to the relief of certain cost of defined contribution scheme during the year ended 31 December 2020.

	2020 <i>RMB'000</i>	2019 <i>RMB'000</i>
(c) Other items		
Depreciation		
– owned property, plant and equipment	247,056	253,453
– right-of-use assets	<u>58,819</u>	<u>28,918</u>
	<u>305,875</u>	<u>282,371</u>
Amortisation	–	15,874
Impairment losses on trade and other receivables, and contract assets	273,493	169,642
Group auditor's remuneration		
– audit services	5,143	4,724
– other services	6,010	3,830
Local statutory auditors' remuneration		
– audit services	3,491	3,705
– other services	1,276	798
Cost of inventories (<i>note 9(a)</i>)	34,286,152	22,322,081
Advertising and promotion expenses to football club	133,447	436,443
Rental income from investment properties less direct outgoings of RMB14,842,000 (2019: RMB7,948,000)	(96,523)	(105,659)
Rental income from properties for sale less direct outgoings of RMB9,329,000 (2019: RMB22,409,000)	(17,708)	(27,048)

5 INCOME TAX IN THE CONSOLIDATED INCOME STATEMENT

(a) Taxation in the consolidated income statement represents:

	2020 <i>RMB'000</i>	2019 <i>RMB'000</i>
Current tax		
PRC Corporate Income Tax	1,837,260	1,378,921
PRC Land Appreciation Tax	802,497	1,004,754
Withholding tax	144,013	108,777
	<u>2,783,770</u>	<u>2,492,452</u>
Deferred tax		
PRC Corporate Income Tax	61,372	275,467
PRC Land Appreciation Tax	(11,436)	(67,092)
	<u>49,936</u>	<u>208,375</u>
	<u><u>2,833,706</u></u>	<u><u>2,700,827</u></u>

(i) Pursuant to the rule and regulations of the Cayman Islands, the Company is not subject to any income tax in the Cayman Islands.

(ii) No Hong Kong Profits Tax has been provided for as the Group has no estimated assessable profits in Hong Kong.

(iii) *PRC Corporate Income Tax ("CIT")*

The provision for CIT is based on the respective applicable rates on the estimated assessable profits of the PRC subsidiaries as determined in accordance with the relevant income tax rules and regulations of the PRC.

The PRC subsidiaries were subject to the actual taxation method, were charged CIT at a rate of 25% (2019: 25%) on the estimated assessable profits for the year.

(iv) Land Appreciation Tax (“LAT”)

Pursuant to the requirements of the Provisional Regulations of the PRC on LAT (《中華人民共和國土地增值稅暫行條例》) effective on 1 January 1994, and the Detailed Implementation Rules on the Provisional Regulations of the PRC on LAT (《中華人民共和國土地增值稅暫行條例實施細則》) effective from 27 January 1995, all income from the sale or transfer of state-owned land use rights, buildings and their attached facilities in the PRC is subject to LAT at progressive rates ranging from 30% to 60% of the appreciation value, with an exemption provided for property sales of ordinary residential properties (普通標準住宅) if their appreciation values do not exceed 20% of the sum of the total deductible items.

(v) Withholding tax

Withholding taxes are levied on the Company’s subsidiaries in Hong Kong (“Hong Kong subsidiaries”) in respect of dividend distributions arising from profit of PRC subsidiaries earned after 1 January 2008 and interest on inter-company balance received by Hong Kong subsidiaries from PRC subsidiaries ranged from 5% to 10%.

(b) Reconciliation between tax expense and accounting profit at applicable tax rates:

	2020	2019
	<i>RMB’000</i>	<i>RMB’000</i>
Profit before taxation	4,935,267	5,116,349
Tax on profit before tax, calculated at 25% (2019: 25%)	1,233,817	1,279,087
Difference in tax rates for parent company and certain subsidiaries	216,989	26,655
Tax effect of non-taxable income	(306,389)	(40,239)
Tax effect of non-deductible expenses	719,273	497,764
Tax effect of unused tax losses not recognised	263,865	150,010
Utilisation of tax loss not recognised in prior years	(31,158)	(24,473)
Withholding tax	144,013	108,777
LAT	791,062	937,662
Tax effect of LAT	(197,766)	(234,416)
Income tax expense	<u>2,833,706</u>	<u>2,700,827</u>

6 EARNINGS PER SHARE

(a) Basic earnings per share

The calculation of basic earnings per share is based on the profit attributable to ordinary equity shareholders of the Company of RMB1,801,508,000 (2019: RMB2,015,064,000) and the weighted average of 2,784,521,906 ordinary shares (2019: 2,732,425,733 ordinary shares) in issue during the year, calculated as follows:

Weighted average number of ordinary shares:

	2020 '000	2019 '000
Issued ordinary shares at 1 January	2,739,133	2,731,263
Effect of share options exercised	<u>45,389</u>	<u>1,163</u>
Weighted average number of ordinary shares at 31 December	<u><u>2,784,522</u></u>	<u><u>2,732,426</u></u>

(b) Diluted earnings per share

The calculation of diluted earnings per share is based on the profit attributable to ordinary equity shareholders of the Company of RMB1,801,508,000 (2019: RMB2,015,064,000) and the weighted average number of ordinary shares of 2,832,450,234 shares (2019: 2,785,463,786 shares), calculated as follows:

(i) Profit attributable to ordinary equity shareholders of the Company (diluted)

	2020 RMB'000	2019 RMB'000
Profit attributable to equity shareholders (diluted)	<u><u>1,801,508</u></u>	<u><u>2,015,064</u></u>

(ii) Weighted average number of ordinary shares (diluted)

	2020 '000	2019 '000
Weighted average number of ordinary shares at 31 December	2,784,522	2,732,426
Effect of deemed issue of shares under the Company's share option scheme	<u>47,928</u>	<u>53,038</u>
Weighted average number of ordinary shares (diluted) at 31 December	<u>2,832,450</u>	<u>2,785,464</u>

7 INTERESTS IN ASSOCIATES

	2020 RMB'000	2019 RMB'000
Share of net assets	156,043	249,149
Amounts due from associates	<u>59,605</u>	<u>61,369</u>
	<u>215,648</u>	<u>310,518</u>

Amounts due from associates are interest-free, unsecured and have no fixed terms of repayment, and are expected to be recovered after more than one year.

Management considers that none of the associates of the Group have a significant impact to the financial position and performance of the Group individually.

Aggregate information of associates is as below:

	2020 <i>RMB'000</i>	2019 <i>RMB'000</i>
– Aggregate share of net assets of associates	156,043	249,149
– Aggregate amount due from associates	59,605	61,369
	<hr/>	<hr/>
Aggregate carrying amount of associates in the consolidated financial statements	215,648	310,518
	<hr/> <hr/>	<hr/> <hr/>

Aggregate amounts of the Group's share of those associates'

Profit/(loss) from continuing operations	25,030	(33,918)
Total comprehensive income/(loss)	25,030	(33,918)

8 INTERESTS IN JOINT VENTURES

	2020 <i>RMB'000</i>	2019 <i>RMB'000</i>
Share of net assets	1,821,366	2,467,155
Amounts due from joint ventures	3,659,469	7,066,757
	<hr/>	<hr/>
	5,480,835	9,533,912
	<hr/> <hr/>	<hr/> <hr/>

Amounts due from joint ventures included amount of RMB1,210,396,000 (2019: RMB796,209,000) which are interest-bearing at 10%-12% per annum, unsecured and have no fixed terms of payment. The remaining amounts due from joint ventures are unsecured, interest-free and have no fixed terms of payment. They are expected to be recovered after more than one year.

The following list contains only the particulars of material joint ventures, all of which are PRC limited liability companies whose quoted market price is not available:

Name of company	Place of incorporation and business	Registered capital	Proportion of ownership interest		Principal activities	Legal form
			Held by the Company	Held by a subsidiary		
Henan Central China Taihong Real Estate Limited	Henan, the PRC	RMB231,020,000	–	51.00%	Property development	Limited company
Zhengzhou Shengqing Real Estate Limited	Henan, the PRC	RMB47,666,667	–	51.00%	Property development	Limited company
Nanyang Jianyuan Real Estate Limited	Henan, the PRC	RMB20,000,000	–	40.00%	Property development	Limited company

Note: The English name of the above companies in the PRC are translated by management only for the purpose of these financial statements as no English name has been registered or available.

The above joint ventures strengthen the Group's property development business in Henan, the PRC. All of the above joint ventures are accounted for using the equity method in the consolidated financial statements.

Summarised financial information of material joint ventures, adjusted for any differences in accounting policies, and a reconciliation to the carrying amount in the consolidated financial statements, are disclosed below:

	Henan Central China Taihong Real Estate Limited		Zhengzhou Shengqing Real Estate Limited		Nanyang Jianyuan Real Estate Limited		Henan Central China Fujin Investment Company Limited*
	2020	2019	2020	2019	2020	2019	2019
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Gross amounts of joint ventures							
Current assets	5,182,016	5,043,216	405,141	1,980,224	2,430,923	1,152,496	10,651,214
Non-current assets	57,007	131,846	8	248	22,129	7	86,145
Current liabilities	(4,326,931)	(4,342,761)	(271,984)	(1,979,905)	(2,489,072)	(1,151,701)	(9,879,962)
Non-current liabilities	(199,800)	(444,000)	–	–	–	–	(728,302)
Equity	712,292	388,301	133,165	567	(36,020)	802	129,095
Included in the above assets and liabilities:							
Cash and cash equivalents	196,273	172,941	175,847	117,145	646,117	712,846	554,211
Current financial liabilities (excluding trade and other payables and provisions)	–	(195,000)	–	–	–	–	–
Non-current financial liabilities (excluding trade and other payables and provisions)	(199,800)	(444,000)	–	–	–	–	(719,650)

	Henan Central China Taihong Real Estate Limited		Zhengzhou Shengqing Real Estate Limited		Nanyang Jianyuan Real Estate Limited		Henan Central China Fuju Investment Company Limited*
	2020	2019	2020	2019	2020	2019	2019
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Revenue	1,816,158	1,715,140	1,903,199	–	50,851	37,400	2,439,834
Profit/(loss) from continuing operations	323,991	272,800	132,597	(13,330)	(36,822)	(15,915)	156,961
Total comprehensive income	323,991	272,800	132,597	(13,330)	(36,822)	(15,915)	156,961
Dividend received from the joint ventures	–	102,000	–	–	–	–	–
Included in the above profit/(loss):							
Depreciation and amortisation	(1,539)	(1,472)	(42)	(57)	140	44	(762)
Interest income	2,808	5,816	748	840	3,369	612	108
Interest expense	–	–	–	–	–	–	(13)
Income tax expense	(108,979)	(64,097)	(44,459)	–	–	–	(115,643)
Reconciled to the Group's interest in joint ventures							
Gross amounts of net assets of the joint ventures	712,292	388,301	133,165	567	(36,020)	802	156,961
Group's effective interest	51.00%	51.00%	51.00%	51.00%	40.00%	40.00%	45.00%
Group's share of net assets of the joint ventures	363,269	198,034	67,914	289	–	321	58,093
Amount due from joint ventures	–	–	54,116	176,516	–	201,314	2,347,812
Carrying amount in the consolidated financial statements	363,269	198,034	122,030	176,805	–	201,635	2,405,905
Group's share of profits/(losses)	165,235	139,128	67,624	(6,798)	(14,729)	(6,366)	70,632

* The Group previously held 45% of the equity interests in a jointly controlled entity Henan Central China Fuju Investment Company Limited. Upon completion of Acquisition, the entity was 55% owned by the Group and became a subsidiary of the Group.

Aggregate information of joint ventures that are not individually material:

	2020	2019
	RMB'000	RMB'000
– Aggregate share of net assets of individually immaterial joint ventures	1,390,183	2,210,418
– Aggregate amount due from individually immaterial joint ventures	3,605,353	4,341,115
Aggregate carrying amount of individually immaterial joint ventures in the consolidated financial statements	4,995,536	6,551,533

Aggregate amounts of the Group's share of those joint ventures'

Profit from continuing operations	118,987	(18,728)
Total comprehensive income	118,987	(18,728)

(a) Deemed disposal of joint ventures in step acquisitions

During the year ended 31 December 2020, the Group entered into equity transfer agreements with respective joint venturers to acquire additional equity interest. Upon completion of the above transactions, these joint ventures became subsidiaries of the Group. The net gain of RMB894,029,000 on deemed disposals of these joint ventures was recognised in profit or loss, by remeasuring the Group's previously held equity interests in these entities with carrying amount of RMB1,348,625,000, at fair value of RMB2,242,654,000 on the acquisition date.

9 INVENTORIES AND OTHER CONTRACT COSTS

		2020	2019
	<i>Note</i>	<i>RMB'000</i>	<i>RMB'000</i>
Inventories			
– Properties held for future development and under development for sale		82,552,774	65,235,041
– Completed properties held for sale		6,585,147	4,523,557
– Others		21,240	14,246
		89,159,161	69,772,844
Other contract costs	<i>(d)</i>	271,689	219,710
		89,430,850	69,992,554

- (a)** The analysis of the amount of properties for sale recognised as an expense and included in profit or loss is as follows:

	2020	2019
	<i>RMB'000</i>	<i>RMB'000</i>
Carrying amount of inventories sold	34,286,152	22,322,081
Write-down of inventories	591,269	68,539
	34,877,421	22,390,620

The amount of properties for future development and under development expected to be recovered after more than one year is RMB48,240,682,000 (2019: RMB31,733,389,000). All of the other inventories are expected to be recovered within one year.

- (b) The analysis of carrying value of leasehold land held for property development for sale is as follows:

	2020 <i>RMB'000</i>	2019 <i>RMB'000</i>
In the PRC, with remaining lease term of:		
– long leases (50 years or more)	38,589,634	29,944,770
– medium-term leases (between 10 and 50 years)	<u>9,647,408</u>	<u>4,052,313</u>
	<u>48,237,042</u>	<u>33,997,083</u>

- (c) Certain of the Group's properties for sale was pledged as securities for the Group's bank loans and other loans. Details are set out in notes 12 and 13.

At 31 December 2020, the Group's properties for sale of RMB5,774,503,000 (2019: RMB3,373,648,000) were pledged as securities for joint ventures' loan.

(d) **Contract costs**

Contract costs capitalised as at 31 December 2020 relate to the incremental sales commissions paid to property agents whose selling activities resulted in customers entering into sale and purchase agreements for the Group's properties which are still under construction at the reporting date. Contract costs are recognised as part of "selling and marketing expense" in the consolidated income statement in the period in which revenue from the related property sales is recognised. The amount of capitalised costs recognised in profit or loss during the year was RMB362,330,000 (2019: RMB203,331,000). There was no impairment in relation to the opening balance of capitalised costs or the costs capitalised during the year (2019: Nil).

The amount of capitalised contract costs that is expected to be recovered after more than one year is RMB142,620,000 (2019: RMB103,904,000).

10 TRADE AND OTHER RECEIVABLES

		2020	2019
	<i>Note</i>	<i>RMB'000</i>	<i>RMB'000</i>
Trade debtors and bills receivable, net of loss allowance	(a)	216,702	76,287
Other debtors	(b)	1,684,228	1,279,804
Amounts due from joint ventures	(c)	222,526	139,876
Amounts due from associations	(c)	5,920	3,080
Amounts due from entities controlled by the ultimate controlling shareholder	(c)	102,563	35,268
Amounts due from entities jointly controlled by a close family member of the ultimate controlling shareholder	(c)	2,607	1,365
Amounts due from non-controlling interests	(d)	2,890,330	2,705,953
Amounts due from a joint venturer		—	100,000
		<hr/>	<hr/>
Financial assets measured at amortised cost		5,124,876	4,341,633
		<hr/>	<hr/>
Derivative financial instruments:			
– redemption call options embedded in senior notes		35,186	31,790
– foreign exchange forward contracts and option contracts	(e)	—	62,030
		<hr/>	<hr/>
		35,186	93,820
		<hr/>	<hr/>
		5,160,062	4,435,453
		<hr/>	<hr/>

(a) **Aging analysis**

The ageing analysis of bills and trade receivables, based on the invoice date (or date of revenue recognition, if earlier) and net of loss allowance, is as follows:

	2020 <i>RMB'000</i>	2019 <i>RMB'000</i>
Within 3 months	151,005	55,902
3 to 6 months	35,557	3,360
6 to 12 months	21,259	8,882
Over 1 year	8,881	8,143
	<u>216,702</u>	<u>76,287</u>

Trade debtors and bills receivable are due upon the invoicing.

- (b) Other debtors mainly included receivables due from advances made to former non-controlling shareholders of certain subsidiaries, former joint venturers, a former joint venture and land purchase deposits to be returned. Allowance for other debtors related to certain long outstanding balance and management assessed that only a portion of the receivables is expected to be recovered.
- (c) Amounts due from joint ventures and associates are interest-free, unsecured and have no fixed terms of payment.

Amounts due from entities controlled by the ultimate controlling shareholder mainly represented amount due from Henan Hongdao Business Information Consultancy Co., Ltd. 河南弘道商務信息諮詢有限公司 (“Henan Hongdao”) and Jiayao Global Investments Limited 嘉耀(國際)投資有限公司 (“Jiayao Global”) in relation to the financial guarantee provided by the Group (note 17(c)) and amount receivable due from Central China New Life Limited 建業新生活有限公司 (“Central China New Life”) and DIT Group Limited 築友智造科技集團有限公司 (“Drawin Intelligent Manufacture”) together with its subsidiaries, in relation to the financial sub-leases, hotel and other miscellaneous services. Amount receivable due from Central China New Life and Drawin Intelligent Manufacture are interest free, unsecured and to be settled according to the contract terms.

Amounts due from entities jointly controlled by a close family member of the ultimate controlling shareholder mainly represented amount receivable due from Shanghai Meihua Yuezhong Investment Company 上海美華樂章投資有限公司 (“Shanghai Meihua”) together with its subsidiaries, which are interest-free, unsecured and to be settled according to the contract terms.

- (d) Amounts due from non-controlling interests are interest-free, unsecured and have no fixed terms of payment.
- (e) The Company entered into foreign exchange forward contracts and option contracts to manage its exposure currency risk. As at 31 December 2020, the aggregate notional principal amounts of the outstanding foreign exchange forward contracts and option contracts are US\$1,150 million (2019: US\$600 million) and the remaining contracts will mature in 2021 and 2022 respectively. The foreign exchange forward contracts and option contracts are accounted for at fair value as derivative financial instrument and recognised in derivative financial liability at RMB401,421,000 (2019: derivative financial assets at RMB62,030,000 and derivative financial liability at RMB10,908,000).
- (f) The amount of derivative financial instruments in trade and other receivables expected to be recovered or recognised as expense after more than one year is RMB32,166,000 (2019: RMB29,836,000). All of the other trade and other receivables are expected to be recovered or recognised as expense within one year.

11 DEPOSITS AND PREPAYMENTS

As at 31 December 2020, the balance included deposits and prepayments for leasehold land of RMB14,392,292,000 (2019: RMB10,274,453,000) and prepaid value-added tax and related surcharges of RMB1,404,935,000 (2019: RMB1,391,899,000).

12 BANK LOANS

At 31 December 2020, the bank loans were repayable as follows:

	2020 <i>RMB'000</i>	2019 <i>RMB'000</i>
Within 1 year or on demand	3,612,904	3,734,424
After 1 year but within 2 years	751,655	2,273,910
After 2 years but within 5 years	889,375	758,750
After 5 years	247,095	471,375
	<u>1,888,125</u>	<u>3,504,035</u>
	<u>5,501,029</u>	<u>7,238,459</u>

At 31 December 2020, the bank loans were secured as follows:

	2020 <i>RMB'000</i>	2019 <i>RMB'000</i>
Bank loans		
– secured	4,620,658	4,865,783
– unsecured	<u>880,371</u>	<u>2,372,676</u>
	<u>5,501,029</u>	<u>7,238,459</u>

At 31 December 2020, the secured bank loans are secured over equity interest in subsidiaries of the Group and other assets of the Group as follows:

	2020 <i>RMB'000</i>	2019 <i>RMB'000</i>
Properties for sale	5,587,034	5,862,338
Property, plant and equipment	777,786	839,401
Investment property	509,000	343,189
Interest in a joint venture	–	16,000
Restricted bank deposits	<u>395,866</u>	<u>697,620</u>
	<u>7,269,686</u>	<u>7,758,548</u>

The effective interest rates of bank loans of the Group at 31 December 2020 were ranged from 2.8%-9.3% (2019: 4%-7.5%) per annum.

Certain banking facilities of the Group are subject to the fulfilment of covenants relating to certain of the Group's statement of financial position ratios, as are commonly found in lending arrangements with financial institutions. If the Group were to breach the covenants the drawn down facilities would become repayable on demand. The Group regularly monitors its compliance with these covenants. At 31 December 2020 and 2019, none of the covenants relating to drawn down facilities had been breached.

13 OTHER LOANS

At 31 December 2020, other loans represented loans from external financial institutions and were repayable as follows:

	2020 <i>RMB'000</i>	2019 <i>RMB'000</i>
Within 1 year	1,443,900	2,437,022
After 1 year but within 2 years	<u>1,163,000</u>	<u>850,325</u>
	<u>2,606,900</u>	<u>3,287,347</u>

At 31 December 2020, the other loans were secured as follows:

	2020 <i>RMB'000</i>	2019 <i>RMB'000</i>
Other loans		
– secured	1,877,901	2,530,545
– unsecured	<u>728,999</u>	<u>756,802</u>
	<u>2,606,900</u>	<u>3,287,347</u>

The effective interest rates of other loans of the Group at 31 December 2020 were ranged from 5.82%-16.00% (2019: 6.8%-12.0%) per annum.

At 31 December 2020, the secured other loans are secured over assets of subsidiaries of the Group as follows:

	2020 <i>RMB'000</i>	2019 <i>RMB'000</i>
Properties for sale	3,990,655	2,783,273
Property, plant and equipment	–	49,082
Investment property	<u>–</u>	<u>218,336</u>
	<u>3,990,655</u>	<u>3,050,691</u>

14 TRADE AND OTHER PAYABLES

		2020	2019
	<i>Note</i>	<i>RMB'000</i>	<i>RMB'000</i>
Trade creditors and bills payable	(a)	29,186,718	21,296,417
Other creditors and accrued charges		5,740,703	5,261,976
Amounts due to joint ventures	(b)	5,713,558	6,979,796
Amounts due to associates	(b)	191,441	709,593
Amounts due to entities controlled by the ultimate controlling shareholder	(c)	1,074,120	567,352
Amounts due to non-controlling interests	(d)	4,720,541	6,143,374
Financial liabilities measured at amortised cost		46,627,081	40,958,508
Other tax payables		3,622,450	2,637,173
Derivative financial instruments:			
– foreign exchange rate swap contract		77,473	9,228
– foreign exchange forward contracts and option contracts (<i>note 10e</i>)		401,421	10,908
		<u>50,728,425</u>	<u>43,615,817</u>

(a) Aging analysis

As of the end of the reporting period, the aging analysis of trade creditors and bills payable based on the invoice date is as follows:

	2020	2019
	<i>RMB'000</i>	<i>RMB'000</i>
Within 3 months	21,406,358	14,757,593
3-6 months	3,347,934	2,357,186
6-12 months	1,348,088	1,547,284
Over 12 months	3,084,338	2,634,354
	<u>29,186,718</u>	<u>21,296,417</u>

- (b) Amounts due to joint ventures and associates are interest-free, unsecured and have no fixed terms of payment.
- (c) Amounts due to entities controlled by the ultimate controlling shareholder mainly included amount due to Central China New Life together with its subsidiaries of RMB763,677,000 for receiving services from these entities (2019: RMB474,237,000) and amount due to Drawin Intelligent Manufacture together with its subsidiaries of RMB112,722,000 (2019: RMB93,115,000), which are interest-free, unsecured and to be settled according to the contract terms, and amount due to Jiayao Global of RMB197,721,000(2019:RMB nil) which is unsecured, interest-bearing at 6.875% per annum.
- (d) Amounts due to non-controlling interests included amount of RMB80,243,000 (2019: RMB524,461,000) which are interest-bearing at 12% (2019: 6%-20%) per annum, unsecured and have no fixed terms of payment. The remaining amounts due to non-controlling interests are interest-free, unsecured and have no fixed terms of payment.
- (e) The amount of retention payable and derivative financial instruments in trade and other payables expected to be settled after more than one year are RMB113,795,000 (2019: RMB133,403,000) and nil (2019: RMB9,228,000) respectively. All of the other trade and other payables are expected to be settled within one year.

15 DIVIDENDS

- (i) **Dividends payable to equity shareholders of the Company attributable to the year**

	2020 <i>RMB'000</i>	2019 <i>RMB'000</i>
Interim dividend declared and paid of HK\$11.0 cents (equivalent to RMB10.1 cents) per ordinary share (2019: HK\$15.6)	279,157	382,798
Final dividend proposed after the end of the reporting period of HK\$26.8 cents (equivalent to RMB22.65 cents) per ordinary share (2019: HK\$31.0 cents)	<u>668,979</u>	<u>779,430</u>

The final dividend proposed after the end of the reporting period has not been recognised as a liability at the end of the reporting period.

(ii) **Dividends payable to equity shareholders of the Company attributable to the previous financial year, approved and paid during the year**

	2020 <i>RMB'000</i>	2019 <i>RMB'000</i>
Final dividend in respect of the previous financial year, approved and paid during the year, of HK\$30.1 cents (equivalent to RMB28.44 cents) per ordinary share (2019: HK\$14.12)	<u>779,430</u>	<u>326,848</u>

16 COMMITMENTS

Capital commitments outstanding at 31 December 2020 not provided for in the financial statements are as follows:

	2020 <i>RMB'000</i>	2019 <i>RMB'000</i>
Capital commitments for property development		
– Authorised but not contracted for	49,438,965	49,306,769
– Contracted but not provided for	<u>37,088,271</u>	<u>25,865,751</u>
	<u>86,527,236</u>	<u>75,172,520</u>

17 FINANCIAL GUARANTEE

(a) Guarantees given to financial institutions for mortgage facilities granted to buyers of the Group's and joint ventures' properties

The Group provided guarantees in respect of mortgage facilities granted by certain banks in connection with the mortgage loans entered into by buyers of the Group's and joint ventures' properties. Pursuant to the terms of the guarantees, if there is default of the mortgage payments by these buyers, the Group is responsible to repay the outstanding mortgage loans together with any accrued interests and penalties owed by the defaulted buyers to banks. The Group's guarantee periods commence from the dates of grants of the relevant mortgage loans and end after the buyers obtain the individual property ownership certificate of the property purchased. The amount of guarantees given to banks for mortgage facilities granted to the buyers of the Group's and joint ventures' properties at 31 December 2020 is as follows:

	2020 <i>RMB'000</i>	2019 <i>RMB'000</i>
Guarantees given to banks for mortgage facilities granted to buyers of:		
– the Group's properties	43,090,654	37,561,304
– the joint ventures' properties (the Group's shared portion)	<u>5,131,020</u>	<u>4,821,070</u>
	<u>48,221,674</u>	<u>42,382,374</u>

The directors do not consider it probable that the Group will sustain a loss under these guarantees during the periods as the Group and the joint ventures have not applied for individual building ownership certificates for these buyers and can take over the ownerships of the related properties and sell the properties to recover any amounts paid by the Group/joint ventures to the banks. The Group and joint ventures have not recognised any deferred income in respect of these guarantees as its fair value is considered to be minimal by the directors. The directors also consider that the fair market value of the underlying properties is able to cover the outstanding mortgage loans generated by the Group and joint ventures in the event the buyers default payments to the banks.

(b) Guarantees given to financial institutions for bank loans and other loans granted to joint ventures and associates

The Group provided guarantees to bank loans and other loans of joint ventures and associates amounting to RMB8,332,487,000 at 31 December 2020 (2019: RMB10,046,993,000). The Group closely monitors the repayment progress of the relevant loans by those joint ventures. At the end of the reporting period, the directors do not consider it probable that claims will be made against the Group under these guarantees.

(c) Guarantee given to Henan Hongdao and Jiayao Global

On 24 December 2019 and 7 May 2020, the Group entered into two arrangements to provide guarantee to Henan Hongdao and Jiayao Global, the entities controlled by Mr. Wu Po Sum.

In respect of Henan Hongdao's five-year bank loan amounting to RMB500,000,000, with annual guarantee fee at 1% of the principal amount outstanding and Jiayao Global's bonds issued amounting to US\$203,000,000 due in 2021, with annual guarantee fee at 1.5% of the principal amount of the bond, respectively.

During the year ended 31 December 2020, income from the above financial guarantee of RMB16,795,000 was recognized (2019: RMB Nil).

18 NON-ADJUSTING EVENTS AFTER THE REPORTING PERIOD

- (a) On 7 January 2021, the Company issued a senior note with principal amount of US\$260,000,000 due in 2025, interest-bearing at 7.5% per annum, which is payable semi-annually in arrears. The details are disclosed in the relevant announcements published by the Company.
- (b) On 9 February 2021, the Company has redeemed outstanding senior notes due in 2021 upon maturity with principal amount of US\$300,000,000 and nominal interest rate of 6.875% at the predetermined redemption price.
- (c) On 5 March 2021, the Company has redeemed outstanding senior notes due in 2021 upon maturity with principal amount of US\$400,000,000 and nominal interest rate of 6.5% at the predetermined redemption price.
- (d) On 21 December 2020, the Company announced share award scheme to grant 108,000,000 shares to 216 employees of the Group, which is subject to such employees' acceptance. The Group issued 108,000,000 ordinary shares to an independent trustee for the purpose of granting restricted shares held for share award scheme.

During the three months ended 31 March 2021, 204 grantees have accepted the share award and agreed to subscribe for an aggregate of 97,900,000 shares of the Company at total consideration of HK\$233,007,000. The restricted shares awarded are subject to vesting condition including service and performance conditions and will be transferred from the trustee to the grantees upon the vesting.

FINANCIAL HIGHLIGHTS

SUMMARY OF INCOME STATEMENT

For the period ended 31 December

	2020	2019	Changes
Revenue (<i>RMB'000</i>)	43,304,417	30,766,698	40.8%
Gross profit (<i>RMB'000</i>)	8,596,044	8,005,342	7.4%
Gross profit margin	19.9%	26.0%	-6.1*
Gross profit from core businesses (<i>RMB'000</i>)	7,320,668	6,839,083	7.0%
Gross profit margin from core businesses	17.6%	23.5%	-5.9*
Net profit (<i>RMB'000</i>)	2,101,561	2,415,522	-13.0%
Net profit margin	4.9%	7.9%	-3.0*
Profit attributable to equity shareholders (<i>RMB'000</i>)	1,801,508	2,015,064	-10.6%
Basic earnings per share (<i>RMB</i>)	0.6470	0.7375	-12.3%
Diluted earnings per share (<i>RMB</i>)	0.6360	0.7234	-12.1%
Final dividends per share (<i>HK\$</i>)	0.2680	0.3100	-13.5%

SUMMARY OF STATEMENT OF FINANCIAL POSITION

As at 31 December

	2020	2019	Changes
Total cash (including cash and cash equivalents and restricted bank deposits) (RMB'000)	29,326,877	30,785,102	-4.7%
Total assets (RMB'000)	163,900,777	143,967,389	13.8%
Total liabilities (RMB'000)	149,318,742	131,365,068	13.7%
Total equity (including non-controlling interests) (RMB'000)	14,582,035	12,602,321	15.7%
Total borrowings (RMB'000)	31,303,722	31,490,625	-0.6%
Net borrowings (RMB'000)	8,288,892	8,085,346	2.5%
Current ratio ⁽¹⁾	110.8%	112.0%	-1.2*
Net gearing ratio ⁽²⁾	56.8%	64.2%	-7.4*
Net asset value per share (RMB) ⁽³⁾	5.15	4.60	12.0%
Equity attributable to equity shareholders (RMB) ⁽³⁾	4.02	3.55	13.2%

Notes: * Change in percentage points

(1) Calculated based on the Group's total current assets divided by the Group's total current liabilities

(2) Calculated as set out on pages 42 to 43

(3) Calculated based on 2,833,050,120 shares as at 31 December 2020 (31 December 2019: 2,739,132,960 shares), being 2,941,050,120 shares issued and fully paid less 108,000,000 restricted shares held for share award schemes (31 December 2019: 2,739,132,960 shares issued and fully paid).

MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL REVIEW

Overall performance

The Company is hereby to announce a slight growth in contract sales amounting to RMB102,642 million in 2020, representing a year-on-year increase of approximately 1.5%, of which the contract sales of heavy assets amounted to RMB68,339 million, representing a year-on-year decrease of approximately 4.8%, and the contract sales of light assets amounted to RMB34,303 million, representing a year-on-year increase of approximately 16.9%. As the increase in contract sales and cash collection of sales were satisfactory, the cash and cash equivalents and restricted bank deposits of the Company in total amounted to approximately RMB29,327 million as at 31 December 2020.

As at 31 December 2020, net borrowings in total amounted to approximately RMB8,289 million with net gearing ratio of approximately 56.8%. The Company has persisted in adhering to a prudent principle in financial management, thus maintaining a high proportion of cash with a reasonable level of borrowing.

The Company continued to implement a prudent policy to acquire land and accelerated project construction, so as to shorten the development cycle. The property projects delivered by the Company amounted to 69 in 2020, an increase of 6 projects as compared with 2019. Furthermore, the Company owned 180 projects under development as at 31 December 2020, an increase of 29 projects as compared with 2019. As a result, revenue from the real estate business recognised upon delivery and according to the percentage of completion recorded an increase. However, given the impact of exchange rate fluctuations in the second half of the year, the fair value changes of derivative financial instruments, such as forward foreign exchange contracts, foreign exchange options and foreign exchange swap contracts, recorded a loss of approximately RMB613 million, which resulted in a profit attributable to the equity shareholders of the Company in 2020 of approximately RMB1,802 million, representing a year-on-year decrease of approximately 10.6%.

As of 31 December 2020, the Company had signed contracts for 246 light-asset projects in total with expected GFA of approximately 33.09 million sq.m. according to those contracts. Those contracts signed for light-asset projects generated revenue of approximately RMB1,121 million in 2020 for the Company, representing a year-on-year increase of approximately 9.6%.

As at 31 December 2020, the contract sales of properties of the Company which were not recognised were approximately RMB73,639 million with corresponding gross profit of approximately RMB12,179 million. The amount is expected to be recognised as revenue and gross profit in the next one to three years. In addition, the contract sales of the joint ventures and associates that were not recognised were approximately RMB14,100 million with corresponding gross profit of approximately RMB3,262 million.

In addition to property sales, the Company has been developing hotels, cultural tourism, green house and light-asset projects, so as to diversify its business, expand its revenue base and spread its operational risk. The management believes that the injection of part of the resources into these new businesses would improve the Group's industry value-chain and the integration of its businesses into interactive business segments such as properties, hotels, cultural tourism and green house, which will enable it to offer "personalised" services to its customers.

Revenue: Our revenue increased by 40.8% to approximately RMB43,304 million in 2020 from approximately RMB30,767 million in 2019, primarily due to the increase in the number of property projects delivered and projects under development recognised according to the percentage of completion that were eligible for revenue recognition.

- **Income from sales of properties:** Revenue from property sales increased by 42.7% to approximately 41,607 million in 2020 from approximately RMB29,161 million in 2019 due to an increase in the GFA recognised by 35.6% to 6,109,000 sq.m. in 2020 from approximately 4,506,000 sq.m. in 2019, while the average selling price increased by 5.2% from RMB6,472 per sq.m. in 2019 to RMB6,811 per sq.m. in 2020.
- **Rental income:** Revenue from property leasing decreased by 15.1% to approximately RMB138 million in 2020 from approximately RMB163 million in 2019, which was mainly due to the rental relief for tenants affected by the epidemic in shopping malls and commercial buildings of the Group.

- **Revenue from hotel operation:** Revenue from hotel operation decreased by 17.6% to approximately RMB266 million in 2020 from approximately RMB323 million in 2019, which was mainly because the tourism in Henan's famous tourist cities has been weaker than that in 2019, resulting from the impact of the epidemic.
- **Revenue from provision of project management service:** Revenue from provision of project management service increased by 9.6% to approximately RMB1,121 million in 2020 from approximately RMB1,023 million in 2019 which was derived from operation and management services provided by the Company under light-asset projects. The increase was mainly attributable to an increase in projects.

Cost of sales: Our cost of sales increased by 52.5% to approximately RMB34,708 million in 2020 from approximately RMB22,761 million in 2019. The increase in cost of sales was mainly due to the increase in GFA of properties sold as mentioned above.

Gross profit: The Company's gross profit increased by 7.4% to approximately RMB8,596 million in 2020 from approximately RMB8,005 million in 2019, while our gross profit margin decreased by 6.1 percentage points from 26.0% in 2019 to 19.9% in 2020. It was principally because that: 1) affected by the epidemic in the first half of 2020, the Company adopted a de-stocking strategy in some cities to stimulate sales of various projects and thus narrowed the range of overall sales mark-up; and 2) the gross profit margin of sales of car park spaces decreased from approximately 46.0% last year to approximately 30.7% this year.

Other revenue: Other revenue increased by 50.7% to approximately RMB396 million in 2020 from approximately RMB263 million in 2019. This was primarily due to the increase in interest income.

Other net income: Other net income decreased by 18.7% to approximately RMB650 million in 2020 from approximately RMB800 million in 2019. This was primarily due to an increase of approximately RMB523 million in inventory write-downs, which was partially offset by an increase of approximately RMB343 million in net foreign exchange gains for the year.

Selling and marketing expenses: Our selling and marketing expenses decreased by 1.6% to approximately RMB1,871 million in 2020 from approximately RMB1,901 million in 2019. Although the increase in sales activities and operating revenue for the year resulted in an increase in the sales commissions, advertising and promotion expenses and other related marketing expenses, the number of football matches has been reduced during the epidemic at the same time, resulting in a sharp drop in advertising and marketing expenditures in sports, which in turn reduced overall sales and marketing expenditures. Among such expenses, 1) sports advertising and promotion expenses decreased by approximately RMB303 million; 2) staff costs increased by approximately RMB133 million; 3) labor expenses for outbound services increased by approximately RMB75 million; 4) the advertising expenses increased by approximately RMB25 million; and 5) property management fees for sales centres and vacant properties increased by approximately RMB22 million. The rate for the selling and marketing expenses to its revenues decreased from approximately 6.2% in 2019 to approximately 4.3% in 2020, representing a decrease of 1.9 percentage points.

General and administrative expenses: Our general and administrative expenses increased by 1.4% to approximately RMB1,746 million in 2020 from approximately RMB1,722 million in 2019. It was mainly due to the increase in depreciation charges of property, plant and equipment and right-of-use assets by approximately RMB24 million. The rate for the general and administrative expenses to its revenues decreased from approximately 5.6% in 2019 to approximately 4.0% in 2020, representing a decrease of 1.6 percentage points.

Impairment losses on trade and other receivables and contract assets: Impairment losses on trade and other receivables and contract assets increased by 61.2% to approximately RMB273 million in 2020 from approximately RMB170 million in 2019, which was mainly due to the increase in the contract assets and balances of receivable as at the end of this year, leading to an increase in the provision for expected credit loss.

Finance costs: Our finance costs increased by 221.8% to approximately RMB1,272 million in 2020 from approximately RMB395 million in 2019, mainly due to 1) fluctuations in the exchange rate of RMB against the US dollar for the year, resulting in the loss from changes in fair value of derivative financial instruments including forward foreign exchange contracts, foreign exchange options and foreign exchange swap contracts of approximately RMB613 million (2019: gains of approximately RMB139 million); and 2) the increase of total senior notes for the year as compared with last year, resulting in an increase in related interest expenses.

Share of profits less losses of associates: Our share of losses of associates decreased from approximately RMB34 million in 2019 to profits of approximately RMB25 million in 2020, representing a decrease of 173.8%. Such decrease was primarily due to an increase in profits attributable to associates, which was because that some of the associates has been eligible for revenue recognition.

Share of profits less losses of joint ventures: Our share of profits of joint ventures increased by 89.5% to approximately RMB337 million in 2020 from approximately RMB178 million in 2019, primarily due to the increase in revenue recognised in respect of the joint ventures as some joint venture projects were eligible for revenue recognition.

Net valuation gain on investment property: A net valuation gain of approximately RMB93 million on the Company's investment properties for 2020 was recorded, which was mainly due to the change of use of Zhengzhou Triumph Plaza from a sales property to an investment property, which recorded gains after revaluation.

Income tax: Income tax mainly comprises corporate income tax and land appreciation tax. The Company's income tax increased by 4.9% to approximately RMB2,834 million in 2020 from approximately RMB2,701 million in 2019 and the effective tax rate also increased from 52.8% in 2019 to 57.4% in 2020 as a result of the increase in non-deductible expenses such as the loss from changes in fair value of derivative financial instruments, which contributed to the increase in the assessable profit for the year.

Profit for the year: As a result of the foregoing, our profit decreased by 13.0% to approximately RMB2,102 million in 2020 from approximately RMB2,416 million in 2019.

Financial resources and their utilisation: As at 31 December 2020, the Company's cash and cash equivalents amounted to approximately RMB22,619 million (31 December 2019: approximately RMB22,708 million). The Company has declared an interim dividend of approximately RMB279 million in total during the year and announced a proposal to distribute a final dividend of approximately RMB669 million to the shareholders of the Company in relation to profit attributable to the year ended 31 December 2020 (2019: approximately RMB779 million).

Structure of Borrowings and Deposits

The Company continued to adopt a prudent principle on financial management and centralise our funding and financial management. Therefore, we maintain a high proportion of cash with a reasonable level of borrowing. During the year, we successfully issued 5 senior notes with a total principal amount of US\$1.5 billion. As at 31 December 2020, the repayment schedule of the Company's bank loans and other borrowing was as follows:

	As at 31 December 2020 RMB'000	As at 31 December 2019 RMB'000
Repayment Schedule		
Bank loans		
Within one year	3,612,904	3,734,424
More than one year, but not exceeding two years	751,655	2,273,910
More than two years, but not exceeding five years	889,375	758,750
Exceeding five years	247,095	471,375
	<u>5,501,029</u>	<u>7,238,459</u>
Other loans		
Within one year	1,443,900	2,437,022
More than one year, but not exceeding two years	1,163,000	850,325
	<u>2,606,900</u>	<u>3,287,347</u>

	As at 31 December 2020 RMB'000	As at 31 December 2019 RMB'000
Repayment Schedule		
Corporate bonds		
Within one year	2,999,970	1,489,608
More than one year, but not exceeding two years	—	1,499,870
	<u>2,999,970</u>	<u>2,989,478</u>
Senior notes		
Within one year	7,201,463	4,857,923
More than one year, but not exceeding two years	1,942,754	7,626,964
More than two years, but not exceeding five years	11,051,606	5,490,454
	<u>20,195,823</u>	<u>17,975,341</u>
Total borrowings	<u>31,303,722</u>	<u>31,490,625</u>
<i>Deduct:</i>		
Cash and cash equivalents	(22,618,964)	(22,707,659)
Restricted bank deposits secured bank loans and other loans	<u>(395,866)</u>	<u>(697,620)</u>
Net borrowings	<u>8,288,892</u>	<u>8,085,346</u>
Total equity	<u>14,582,035</u>	<u>12,602,321</u>
Net gearing ratio (%)	<u>56.8%</u>	<u>64.2%</u>

Pledge of assets: As at 31 December 2020, we had pledged restricted bank deposits, completed properties, properties under development, properties available for future development, plants and equipment, equity interest in a joint venture with an aggregate carrying amount of approximately RMB11,260 million (31 December 2019: approximately RMB10,809 million) to secure general bank credit facilities and other loans granted to us. We also pledged properties for sale with an aggregate carrying amount of approximately RMB5,775 million (31 December 2019: approximately RMB3,374 million) to secure loans granted to joint ventures.

Contingent liabilities: As at 31 December 2020, we had provided guarantees of approximately RMB48,222 million (31 December 2019: approximately RMB42,382 million) to banks in respect of the mortgage loans provided by the banks to customers who purchased the developed properties of the Company and its joint ventures. We also provided guarantees of approximately RMB8,332 million as at 31 December 2020 (31 December 2019: approximately RMB10,047 million) in respect of bank loans and other loans of joint ventures and an associate.

Capital commitment: As at 31 December 2020, we had contractual commitments undertaken by subsidiaries of the Group, the performance of which was underway or ready, in respect of property development amounting to approximately RMB37,088 million (31 December 2019: approximately RMB25,866 million), and we had authorised, but not yet contracted for, a further approximately RMB49,439 million (31 December 2019: approximately RMB49,307 million) in other expenditures in respect of property development and capital investments.

Foreign exchange risk: Our businesses are principally conducted in RMB. The majority of our assets are denominated in RMB. As at 31 December 2020, our major non-RMB assets and liabilities are: (i) bank deposits denominated in H.K. dollar, and (ii) the senior notes denominated in U.S. dollar. We are subject to foreign exchange risk arising from future commercial transactions and recognised assets and liabilities denominated in currencies other than RMB. Considering the main income stream of the Company denominated in RMB, we have changed the currency to repay the principal and interest of the US\$200 million Senior Notes issued in 2016 into RMB through a foreign exchange swap contract, and locked the exchange rate of the net investment denominated in RMB with an equivalent amount of US\$1.35 billion through foreign exchange forward contract and options contracts.

Interest rate risk: The interest rate for a proportion of our loans were floating. Upward fluctuation in interest rates will increase the interest cost of new and existing loans. We currently do not use derivatives to hedge the interest rate risk.

REVIEW OF OPERATIONS

(I) Market Review

1. The Macro-economic Environment

Facing the severe and complicated environment at home and abroad in 2020, especially the severe impact of the COVID-19 epidemic, all local departments earnestly implemented the decisions and arrangements of the central leadership and the State Council under the strong leadership of the CPC Central Committee with Comrade Xi Jinping as the core, and made great achievements in coordinating the prevention and control of epidemic situation and economic and social development. China's economic operation continued to recover steadily, taking the lead in realizing positive growth among the major economies in the world, and its total economic output reached a new level of RMB100 trillion. In 2020, China achieved a GDP of RMB101.6 trillion, representing an increase of 2.3% as compared with that of 2019 at constant prices. The economy showed the momentum of sustained recovery and the strong resilience of China's economic development.

In 2020, under the guidance of Xi Jinping thought on socialism with Chinese characteristics for a new era and under the correct leadership of the provincial party Committee and the provincial government, the whole province made overall plans to promote epidemic prevention and control and economic and social development. They also did a solid job of "six stability", and fully implemented the task of "six guarantees". The province's production and supply had been continuously improved, market demand had steadily recovered, emerging kinetic energy has continued to increase, the overall situation of people's livelihood had been stable, and economic operation had shown a sustained and stable recovery trend. The 13th Five-Year Plan ended successfully. In 2020, the province achieved a GDP of RMB5,499.707 billion, representing an increase of 1.3% as compared with that of last year in terms of comparable prices.

2. *The Property Market*

In 2020, the central government adhered to the principle of “housing is for accommodation, not for speculation”. In the first half of the year, affected by the COVID-19 epidemic, the economy faced greater downward pressure. The central government intensified counter-cyclical adjustment and relaxed the monetary environment. In addition, local governments frequently introduced real estate-related support policies, and the market recovered rapidly. Since the second half of the year, the real estate control policy has turned. The central government emphasized that real estate should not be used as a means to stimulate the economy in the short term, stabilized land prices, housing prices and expectations; the real estate financial supervision has been continuously strengthened, and the “three red lines” have been implemented on a pilot basis to promote the rational return of the market.

In 2020, the area of commercial houses sold in China amounted to 1,760.86 million sq.m, representing an increase of 2.6% as compared with that of last year; the commercial house sales amounted to RMB17,361.3 billion, representing an increase of 8.7%; and the investment in real estate development in China amounted to RMB14,144.3 billion, representing an increase of 7.0% as compared with that of last year.

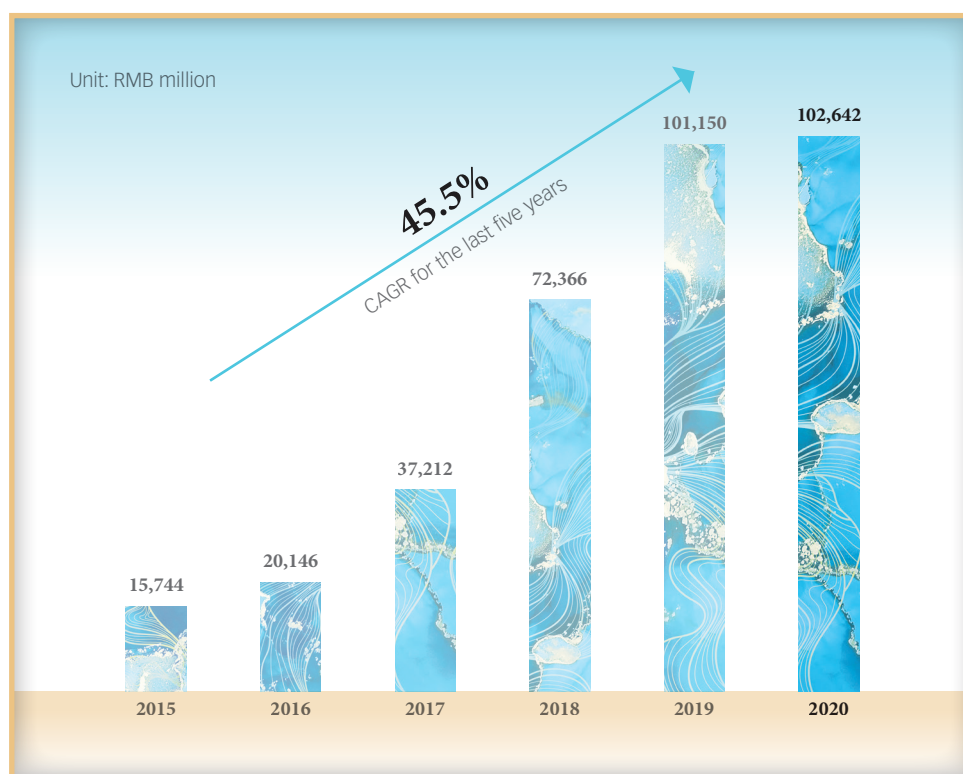
Henan Province made overall plans for epidemic prevention and control, housing and urban-rural construction, tackling difficulties and taking responsibility. It adhered to the positioning of “housing is for accommodation, not for speculation”, and ensured the stable and healthy development of the real estate market. All localities implemented policies based on cities, implemented the goals of stabilizing land prices, housing prices and expectations. In 2020, the area of commercial house sold in Henan Province amounted to 141.0066 million sq.m., down 1.2% year on year; the commercial house sales amounted to RMB936.436 billion, up 3.9% year on year; and the investment in real estate development in the province amounted to RMB778.229 billion, up 4.3% year on year.

(II) Project Development

1. Property Development

(a) Property Sales Performance

During the reporting period, the Company actively drove real estate sales, achieved steady growth in sales performance, and overfilled the target set at the beginning of the year. In 2020, the Company achieved contracted sales amount of approximately RMB102.642 billion with a compound growth rate of 45.5% in the past five years and market share of 10.78% in Henan Province. Among which, the contracted sales amount of heavy assets was approximately RMB68.340 billion, and the contracted GFA of heavy assets was approximately 8.895 million sq.m., a year-on-year decrease of 4.8% and 3.2% respectively. In terms of the contracted amount, the Company's market share in Henan Province in 2020 is 7.24%.



City	Contracted sales amount (RMB million)			Contracted GFA (‘000 sq.m.)		
	2020	2019	Change	2020	2019	Change
Zhengzhou	15,302	16,029	–5%	1,112	1,097	1%
Kaifeng	1,584	596	166%	242	98	147%
Luoyang	6,633	7,993	–17%	729	895	–19%
Pingdingshan	2,363	1,686	40%	379	294	29%
Anyang	4,441	2,593	71%	660	387	71%
Hebi	1,503	1,461	3%	234	171	37%
Xinxiang	3,670	7,072	–48%	567	976	–42%
Jiaozuo	1,931	1,919	1%	318	309	3%
Puyang	2,577	3,346	–23%	407	563	–28%
Xuchang	2,845	3,220	–12%	446	468	–5%
Luohe	1,634	1,666	–2%	241	237	2%
Sanmenxia	1,239	515	141%	223	80	179%
Shangqiu	5,593	4,852	15%	849	664	28%
Zhoukou	3,880	7,048	–45%	624	1,149	–46%
Zhumadian	4,086	5,393	–24%	676	908	–26%
Nanyang	3,328	3,102	7%	412	390	6%
Xinyang	3,383	1,241	173%	501	200	151%
Jiyuan	1,848	2,069	–11%	250	307	–19%
Hainan	500	–	–	25	–	–
Total	68,340	71,801	–5%	8,895	9,193	–3%

(b) *Newly Commenced Property Projects*

As of 31 December 2020, the Company commenced the construction of 69 projects in total. The Company strengthened the efforts in market research and optimised product plans based on the geological distribution of customers and estimated sales. This helped the Company to further enhance its product competitiveness and market performance, and contributed to a safe and reasonable inventory structure.

City	Project name	Principal use of property	GFA commenced during the year (sq.m.)
Zhengzhou	Xinmi Spring Time	Residential	74,639
Zhengzhou	Xinzheng Bailihui (Blue Ocean Zhengfeng)	Residential	176,441
Zhengzhou	Xinzheng Tianhui City	Residential	152,455
Zhengzhou	Rongyang Central Garden	Residential	178,264
Zhengzhou	Zhengzhou Riverside House-Fuju	Residential	252,495
Zhengzhou	Zhengzhou Huihua New City-Fuju	Residential	293,154
Zhengzhou	Zhengzhou Junlin Grand Courtyard	Residential	231,202
Zhengzhou	Zhengzhou Art Mansion	Residential	94,460
Kaifeng	Kaifeng Jianye Country Garden-Majestic Mansion	Residential	145,728
Kaifeng	Lankao CCRE Mall	Residential	184,790
Luoyang	Luoyang Dachengxiaoyuan	Residential	148,505
Luoyang	Luoyang Dingding Palace	Residential	301,700
Luoyang	Luoyang Code Two City	Residential	195,623
Luoyang	Luoyang Fengdu	Residential	154,414
Luoyang	Luoyang Zhongzhou Mansion	Residential	124,279
Luoyang	Yichuan Dragon Mansion	Residential	238,594
Pingdingshan	Pingdingshan Guangming Mansion	Residential	138,374
Pingdingshan	Pingdingshan Pingxi Honour Mansion	Residential	105,813
Pingdingshan	Pingdingshan Eighteen Cities	Residential	29,900

City	Project name	Principal use of property	GFA commenced during the year (sq.m.)
Anyang	Anyan Sky Mansion(Feixiang Road Plot)	Residential	71,078
Anyang	Anyang Jianye City	Residential	167,403
Anyang	Anyang Junlin Grand Courtyard	Residential	77,830
Anyang	Anyang Chinoiserie Palace North Garden	Residential	111,478
Anyang	Anyang Tonghe Palace	Residential	35,787
Anyang	Anyang Code One City	Residential	755
Anyang	Anyang Phoenix City North Bank (Zhongxin Plot)	Residential	257,353
Anyang	Tangyin Central Garden	Residential	22,709
Hebi	Qi County Jianye City	Residential	139,140
Xinxiang	Fengqiu Central Garden	Residential	89,278
Xinxiang	Hui County Gongcheng Dongwang	Residential	32,192
Xinxiang	Xinxiang Chinoiserie Palace	Residential	8,845
Jiaozuo	Mengzhou Jianye Mansion	Residential	110,791
Jiaozuo	Wuzhi Majestic Mansion	Residential	177,787
Jiaozuo	Wuzhi Star Mall	Residential	39,869
Puyang	Puyang Longcheng	Residential	223,330
Puyang	Puyang Puyuan	Residential	103,647
Puyang	Puyang Chinoiserie Palace	Residential	104,642
Puyang	Taiqian Jianrun House	Residential	77,881
Xuchang	Xuchang Pleasure Garden	Residential	265,417
Xuchang	Xuchang Zhenyuehui	Residential	6,069
Xuchang	Yanling Eco-City	Residential	98,489
Xuchang	Changge Sweet-Scented Osmanthus Garden New City	Residential	83,617
Luohe	Linying Forest Peninsula	Residential	49,731
Luohe	Luohe Danjiang House	Residential	80,081
Sanmenxia	Sanmenxia Honour Mansion	Residential	62,007
Sanmenxia	Yima Chinoiserie Palace	Residential	89,965

City	Project name	Principal use of property	GFA commenced during the year (sq.m.)
Shangqiu	Shangqiu Future City	Residential	115,515
Shangqiu	Shangqiu Art Mansion	Residential	233,229
Shangqiu	Sui County Shangheyuan	Residential	108,649
Shangqiu	Xiayi Jianye City	Residential	183,254
Shangqiu	Yucheng Hill Water Lake City	Residential	179,487
Shangqiu	Zhecheng Lianmeng Dongwang	Residential	83,747
Zhoukou	Huaiyang CCRE Mall	Residential	58,159
Zhoukou	Luyi Mingdao City	Residential	17,524
Zhoukou	Zhoukou Binhe Courtyard	Residential	297,769
Zhoukou	Zhoukou Jianye City	Residential	218,231
Zhoukou	Zhoukou Hill Water Lake City	Residential	276,463
Zhoukou	Zhoukou Chinoiserie Palace	Residential	227,463
Zhumadian	Xincai CCRE Mall	Residential	6,883
Zhumadian	Zhumadian Binhelong Palace	Residential	139,231
Zhumadian	Zhumadian Tianzhong Mansion (Spring Time North Plot)	Residential	230,269
Nanyang	Nanyang Central Garden	Residential	42,781
Xinyang	Gushi Future City	Residential	142,146
Xinyang	Huaibin County Sweet-Scented Osmanthus Garden	Residential	111,825
Xinyang	Huangchuan Huangguo Palace	Commercial	173,542
Xinyang	Shangcheng Jianye City (Shangcheng Project)	Residential	73,783
Xinyang	Xinyang Mansion	Residential	365,110
Jiyuan	Jiyuan Code One City Majestic Mansion	Residential	64,094
Hainan	Dongfang Jiayuan in Dongfang city	Residential	41,637
Total			9,198,792

(c) *Property Projects under Development*

As at 31 December 2020, the Company had 180 projects under development with a total GFA of approximately 32,654,000 sq.m., including 25 projects under development in Zhengzhou, 152 projects under development in other cities of Henan Province and 3 projects under development in Hainan.

City	Project name	Principal use of property	GFA under development (sq.m.)
Zhengzhou	Dengfeng Songyue Mansion	Residential	194,554
Zhengzhou	Gongyi CCRE Mall	Residential	37,775
Zhengzhou	Gongyi Spring Time	Residential	313,751
Zhengzhou	Gongyi Chinoiserie Palace	Residential	160,870
Zhengzhou	Financial Island	Commercial	838,863
Zhengzhou	Tihome International City	Residential	1,340,319
Zhengzhou	Xinmi Spring Time	Residential	74,639
Zhengzhou	Xinmi Code One City	Residential	81,159
Zhengzhou	Xinzheng Blue Ocean Zhengfeng	Residential	176,441
Zhengzhou	Xinzheng Tianhui City	Residential	152,455
Zhengzhou	Rongyang Central Garden	Residential	178,264
Zhengzhou	Zhengxi U-Town	Residential	442,869
Zhengzhou	Zhengzhou J18	Commercial	361,207
Zhengzhou	Zhengzhou Chengyuan	Residential	446,928
Zhengzhou	Zhengzhou Spring Time	Residential	52,185
Zhengzhou	Zhengzhou Riverside House-Fuju	Residential	252,495
Zhengzhou	Zhengzhou Huayuankou resettlement area (Huihua New City)-Fuju	Residential	293,154
Zhengzhou	Zhengzhou Blossom Garden	Residential	495,836
Zhengzhou	Zhengzhou Junlin Grand Courtyard	Residential	231,202
Zhengzhou	Zhengzhou Intelligent Square-Fuju	Residential	230,205
Zhengzhou	Zhengzhou Intelligent Palace-Fuju	Residential	15,238
Zhengzhou	Zhengzhou Royal Mansion-Fuju	Residential	221,557
Zhengzhou	Zhengzhou Wulong Century New City-Fuju	Residential	317,086
Zhengzhou	Zhengzhou Art Mansion	Residential	352,303
Zhengzhou	Zhengzhou Wonderland	Residential	134,829

City	Project name	Principal use of property	GFA under development (sq.m.)
Kaifeng	Kaifeng Blossom Garden	Residential	47,787
Kaifeng	Kaifeng Jianye Country Garden Majestic Mansion	Residential	177,333
Kaifeng	Lankao CCRE Mall	Residential	89,181
Kaifeng	Lankao Red World	Commercial	135,312
Kaifeng	Qixian Yipin Blossom Garden	Residential	44,661
Kaifeng	Tongxu Jianye City	Residential	113,712
Kaifeng	Tongxu Code One City	Residential	246,897
Luoyang	Luanchuan Luanzhou Palace	Residential	92,980
Luoyang	Luoyang Binhelong House	Residential	237,424
Luoyang	Luoyang Dachengxiaoyuan	Residential	148,505
Luoyang	Luoyang Dingding Palace	Residential	817,895
Luoyang	Luoyang Code Two City	Residential	392,174
Luoyang	Luoyang Fengdu	Residential	154,414
Luoyang	Luoyang Technology City	Residential	284,614
Luoyang	Luoyang Longcheng Dongwang	Residential	206,986
Luoyang	Luoyang Zhongzhou Mansion	Residential	124,279
Luoyang	Luoyang Honour Mansion	Residential	190,036
Luoyang	Yanshi Forest Peninsula	Residential	38,127
Luoyang	Yichuan Dragon Mansion	Residential	238,594
Pingdingshan	Pingdingshan Spring Time	Residential	340,407
Pingdingshan	Pingdingshan Guangming Mansion	Residential	138,374
Pingdingshan	Pingdingshan Eighteen Cities	Residential	178,422
Pingdingshan	Pingdingshan Honour Mansion	Residential	105,813
Pingdingshan	Ruzhou Sweet-Scented Osmanthus Garden	Residential	100,636
Pingdingshan	Wugang CCRE Mall	Residential	29,496
Pingdingshan	Wugang Jianye Country Garden Jade County	Residential	80,973
Pingdingshan	Wugang Forest Peninsula	Residential	224,927

City	Project name	Principal use of property	GFA under development (sq.m.)
Anyang	Anyang Phoenix City North Bank	Residential	257,353
Anyang	Anyang Sweet-Scented Osmanthus Garden	Residential	259,930
Anyang	Anyang Jianye City	Residential	304,012
Anyang	Anyang Junlin Grand Courtyard	Residential	77,830
Anyang	Anyang Chinoiserie Palace	Residential	197,009
Anyang	Anyang Chinoiserie Palace North Garden	Residential	111,478
Anyang	Anyang Sky Mansion	Residential	71,078
Anyang	Anyang Tonghe Palace	Residential	208,728
Anyang	Anyang Code One City	Residential	261,542
Anyang	Hua County Code One City	Residential	251,813
Anyang	Tangyin Central Garden	Residential	143,968
Anyang	Tangyin Forest Peninsula	Residential	82,444
Hebi	Hebi Chinoiserie Palace	Residential	224,546
Hebi	Hebi Code One City	Residential	92,187
Hebi	Hebi Zhenyuehui	Residential	105,832
Hebi	Qi County Jianye City	Residential	139,140
Xinxiang	Beverly Manor	Residential	459,482
Xinxiang	Fengqiu Central Garden	Residential	89,278
Xinxiang	Hui County Spring Time	Residential	65,613
Xinxiang	Hui County Gongcheng Dongwang	Residential	209,951
Xinxiang	Hui County Code One City	Residential	187,800
Xinxiang	Weihui Spring Time	Residential	206,449
Xinxiang	Xinxiang Spring Time	Residential	87,066
Xinxiang	Xinxiang Blossom Garden	Residential	108,774
Xinxiang	Xinxiang U-Town	Residential	127,100
Xinxiang	Xinxiang Chinoiserie Palace	Residential	630,563
Xinxiang	Xinxiang Commercial Street of Code One City	Commercial	14,266
Xinxiang	Changyuan Forest Peninsula Courtyard	Residential	191,922

City	Project name	Principal use of property	GFA under development (sq.m.)
Jiaozuo	Bo'ai Spring Time	Residential	271,673
Jiaozuo	Jiaozuo Spring Time	Residential	123,086
Jiaozuo	Jiaozuo Central Garden	Residential	10,731
Jiaozuo	Jiaozuo Chinoiserie Palace	Residential	128,215
Jiaozuo	Mengzhou Jianye Mansion	Residential	110,791
Jiaozuo	Wen County Spring Time	Residential	61,569
Jiaozuo	Wuzhi Majestic Mansion	Residential	177,787
Jiaozuo	Wuzhi Star Mall	Residential	137,061
Puyang	Puyang Jianye New City	Residential	271,054
Puyang	Puyang Longcheng	Residential	223,330
Puyang	Puyang Puyuan	Residential	149,180
Puyang	Puyang Chinoiserie Palace	Residential	420,035
Puyang	Puyang Tonghe House	Residential	105,266
Puyang	Puyang Code One City	Residential	57,989
Puyang	Puyang Zhenyuehui	Residential	214,000
Puyang	Taiqian Jianrun House	Residential	77,881
Xuchang	Xiangcheng CCRE Mall	Residential	280,245
Xuchang	Xuchang Chinoiserie Palace	Residential	103,085
Xuchang	Xuchang Pleasure Garden	Residential	265,417
Xuchang	Xuchang Zhenyuehui	Residential	156,147
Xuchang	Yanling Eco-City	Residential	156,385
Xuchang	Yuzhou Spring Time	Residential	97,986
Xuchang	Yuzhou Dachengxiaoyuan	Residential	84,140
Xuchang	Yuzhou Sweet-Scented Osmanthus Garden	Residential	92,996
Xuchang	Changge Sweet-Scented Osmanthus Garden New City	Residential	213,089
Xuchang	Changge Forest Eco-City	Residential	54,751
Luohe	Linying Forest Peninsula	Residential	147,622
Luohe	Luohe Danjiang House	Residential	80,081
Luohe	Luohe Sweet-Scented Osmanthus Garden	Residential	258,138
Luohe	Luohe Blossom Garden	Residential	172,443
Luohe	Luohe Xicheng Forest Peninsula	Residential	219,427

City	Project name	Principal use of property	GFA under development (sq.m.)
Sanmenxia	Sanmenxia Jianye City	Residential	7,118
Sanmenxia	Sanmenxia New District Forest Peninsula	Residential	14,420
Sanmenxia	Sanmenxia Honour Mansion	Residential	70,564
Sanmenxia	Yima Chinoiserie Palace	Residential	89,965
Shangqiu	Minquan Happy Place	Residential	136,585
Shangqiu	Shangqiu Chengyuan	Residential	181,904
Shangqiu	Shangqiu Central Garden	Residential	95,892
Shangqiu	Shangqiu Blossom Garden	Residential	64,578
Shangqiu	Shangqiu Eighteen Cities	Residential	153,332
Shangqiu	Shangqiu Sky Mansion	Residential	42,165
Shangqiu	Shangqiu Future City	Residential	115,515
Shangqiu	Shangqiu Art Mansion	Residential	233,229
Shangqiu	Shangqiu Happy Place	Residential	2,913
Shangqiu	Shangqiu Headquarter Port	Residential	108,052
Shangqiu	Sui County Shangheyuan	Residential	108,649
Shangqiu	Xiayi Jianye City	Residential	183,254
Shangqiu	Yucheng Hill Water Lake City	Residential	338,693
Shangqiu	Zhecheng Lianmeng Dongwang	Residential	83,747
Zhoukou	Fugou Jianye New City	Residential	159,826
Zhoukou	Huaiyang CCRE Mall	Residential	100,554
Zhoukou	Huaiyang Jianye City	Residential	29,020
Zhoukou	Luyi Jianye City	Residential	98,143
Zhoukou	Luyi Mingdao City	Residential	17,524
Zhoukou	Shangshui Yangcheng Courtyard	Residential	44,395
Zhoukou	Taikang Jianye City North Courtyard	Residential	18,917
Zhoukou	Taikang Eco-City	Residential	59,465
Zhoukou	Taikang Happy Place	Residential	130,194
Zhoukou	Xihua Central Garden	Residential	15,206
Zhoukou	Xihua Jicheng Courtyard	Residential	30,103

City	Project name	Principal use of property	GFA under development (sq.m.)
Zhoukou	Xiangcheng Jianye City	Residential	30,298
Zhoukou	Zhoukou Binhe Courtyard	Residential	297,769
Zhoukou	Zhoukou Jianye City	Residential	382,367
Zhoukou	Zhoukou Forest Peninsula	Residential	60,717
Zhoukou	Zhoukou Hill Water Lake City	Residential	276,463
Zhoukou	Zhoukou Chinoiserie Palace	Residential	229,124
Zhoukou	Zhoukou Shiyue Mansion	Residential	189,152
Zhumadian	Pingyu Central Garden	Residential	122,145
Zhumadian	Runan Jianye City	Residential	137,305
Zhumadian	Suiping Jianye City	Residential	144,893
Zhumadian	Suiping Forest Peninsula	Residential	40,386
Zhumadian	Xiping Spring Time	Residential	106,560
Zhumadian	Xincai CCRE Mall	Residential	59,987
Zhumadian	Xincai Sweet-Scented Osmanthus Garden	Residential	144,237
Zhumadian	Zhengyang Jianye City	Residential	103,040
Zhumadian	Zhumadian Binhelong Palace	Residential	139,231
Zhumadian	Zhumadian Spring Time	Residential	697,844
Zhumadian	Zhumadian Eighteen Cities	Residential	133,822
Zhumadian	Zhumadian Chinoiserie Palace	Residential	265,150
Zhumadian	Zhumadian The West Lake Villa	Residential	34,312
Zhumadian	Zhumadian Honour Mansion	Residential	151,330
Nanyang	Fangcheng Jianye Country Garden-Dragon Bay	Residential	119,469
Nanyang	Nanyang Central Garden	Residential	99,387
Nanyang	Nanyang Longyue City	Residential	656,741
Nanyang	Nanyang Art Mansion	Residential	139,452
Nanyang	Xixia Central Garden	Residential	123,263
Xinyang	Gushi Future City	Residential	142,146
Xinyang	Huaibin County Sweet-Scented Osmanthus Garden	Residential	115,370
Xinyang	Huangchuan Huangguo Palace	Residential	173,542

City	Project name	Principal use of property	GFA under development (sq.m.)
Xinyang	Shangcheng Jianye City	Residential	73,782
Xinyang	Xi County Jianye New City	Residential	111,824
Xinyang	Xinyang Mansion	Residential	365,110
Xinyang	Xinyang Jianye City	Residential	193,630
Jiyuan	Jiyuan Spring Time	Residential	98,013
Jiyuan	Jiyuan Blossom Garden	Residential	283,753
Jiyuan	Jiyuan Jianye City	Residential	457,856
Jiyuan	Jiyuan Code One City Majestic Mansion	Residential	64,094
Hainan	Chengmai Zhonghe Jiayuan	Residential	19,966
Hainan	Danzhou Junlin Grand Courtyard	Residential	95,372
Hainan	Dongfang Jiayuan	Residential	376,637
Total			32,654,358

(d) *Property Projects Delivered*

As at 31 December 2020, the Company had 69 projects delivered in total with a total GFA of approximately 6,523,000 sq.m.

City	Project name	Principal use of property	GFA delivered during the year (sq.m.)
Zhengzhou	Dengfeng Songyue Mansion	Residential	269,129
Zhengzhou	Gongyi CCRE Mall	Residential	16,056
Zhengzhou	Gongyi Spring Time	Residential	122,200
Zhengzhou	Zhengzhou Blossom Garden	Residential	74,152
Zhengzhou	Zhengzhou CCRE Tihome International City	Residential	147,988
Zhengzhou	Zhengzhou Intelligent Palace-Fuju	Residential	149,117
Zhengzhou	Zhengzhou Cifi Zhenro Grand Mansion	Residential	216,451
Kaifeng	Kaifeng Blossom Garden	Residential	33,435
Kaifeng	Kaifeng Chrysanthemum Garden	Residential	11,633
Kaifeng	Lankao Red World	Residential	5,150
Kaifeng	Qi County Blossom Garden	Residential	47,306
Luoyang	Luoyang Code Two City	Residential	107,535
Pingdingshan	Pingdingshan Eighteen Cities	Residential	117,127
Pingdingshan	Ruzhou Sweet-Scented Osmanthus Garden	Residential	69,234
Pingdingshan	Wugang Forest Peninsula	Residential	23,998
Anyang	Anyang Sweet-Scented Osmanthus Garden	Residential	60,790
Anyang	Tangyin Forest Peninsula	Residential	70,150
Xinxiang	Beverly Manor	Residential	219,589
Xinxiang	Hui County Spring Time	Residential	112,133
Xinxiang	Xinxiang Spring Time	Residential	39,067
Xinxiang	Xinxiang U-Town	Residential	13,088
Xinxiang	Xinxiang Code One City	Residential	67,425
Jiaozuo	Jiaozuo Spring Time	Residential	55,244
Jiaozuo	Jiaozuo Central Garden	Residential	83,280
Jiaozuo	Jiaozuo Chinoiserie Palace	Residential	82,368
Jiaozuo	Wen County Spring Time	Residential	57,898

City	Project name	Principal use of property	GFA delivered during the year (sq.m.)
Puyang	Puyang Jianye New City	Residential	12,961
Puyang	Puyang Chinoiserie Palace	Residential	191,482
Puyang	Puyang Tonghe House	Residential	191,724
Puyang	Puyang Code One City	Residential	106,916
Xuchang	Xuchang Chinoiserie Palace	Residential	93,985
Xuchang	Yanling Eco-City	Residential	30,197
Xuchang	Changge Spring Time	Residential	101,123
Xuchang	Changge Forest Eco-City	Residential	70,269
Xuchang	Yuzhou Sweet-Scented Osmanthus Garden	Residential	67,216
Luohe	Luohe Xicheng Forest Peninsula	Residential	143,124
Sanmenxia	Sanmenxia Jianye City	Residential	117,220
Sanmenxia	Sanmenxia New District Forest Peninsula	Residential	76,907
Sanmenxia	Sanmenxia Honour Mansion	Residential	67,306
Shangqiu	Shangqiu Central Garden	Residential	166,286
Shangqiu	Shangqiu Blossom Garden	Residential	89,591
Shangqiu	Shangqiu Sky Mansion	Residential	80,932
Shangqiu	Shangqiu Happy Place	Residential	125,599
Zhoukou	Fugou Jianye New City	Residential	94,211
Zhoukou	Huaiyang Jianye City	Residential	177,496
Zhoukou	Luyi Jianye City	Residential	130,389
Zhoukou	Shangshui Yangcheng Courtyard	Residential	57,350
Zhoukou	Taikang Jianye City	Residential	86,884
Zhoukou	Xihua Central Garden	Residential	72,112
Zhoukou	Xihua Jicheng Courtyard	Residential	175,052
Zhoukou	Xiangcheng Jianye City	Residential	117,110
Zhoukou	Zhoukou Jianye City	Residential	147,501
Zhoukou	Zhoukou Forest Peninsula	Residential	3,553
Zhoukou	Zhoukou Chinoiserie Palace	Residential	205,031
Zhoukou	Zhoukou Code One City	Residential	21,222

City	Project name	Principal use of property	GFA delivered during the year (sq.m.)
Zhumadian	Pingyu Jianye City	Residential	85,194
Zhumadian	Runan Jianye City	Residential	188,366
Zhumadian	Suiping Forest Peninsula	Residential	193,976
Zhumadian	Xiping Forest Peninsula	Residential	104,672
Zhumadian	Xincai CCRE Mall	Residential	39,002
Zhumadian	Zhengyang Jianye City	Residential	83,971
Zhumadian	Zhumadian Eighteen Cities	Residential	81,087
Zhumadian	Zhumadian The West Lake Villa	Residential	106,878
Nanyang	Dengzhou Central Garden	Residential	67,667
Nanyang	Nanyang Shilihushan	Residential	70,956
Nanyang	Nanyang Code One City	Residential	91,175
Xinyang	Gushi Jianye City	Residential	98,584
Xinyang	Xinyang Jianye City	Residential	11,195
Jiyuan	Jiyuan Code One City North Courtyard	Residential	7,603
Total			<u>6,522,618</u>

(II) Project development

1. Hotel

Hotel profile

Henan Jianye Zhizun Hotel Investment Co., Ltd. (河南建業至尊酒店管理有限公司), a wholly-owned subsidiary of Central China Real Estate Group (China) Company Limited, is mainly responsible for brand management, design management, engineering management, opening preparation and operation management for all hotel projects of the Group. Currently, the Group has established strategic cooperation with various international well-known groups of hotel management, such as Marriott, InterContinental and Accor, under which five high-end hotel projects are in operation. Five high-end hotel projects, namely Le Méridien Zhengzhou, Pullman Kaifeng Jianye, Holiday Inn Nanyang, Four Points by Sheraton Luohe and Aloft Zhengzhou Shangjie opened successively from 2011 to 2015. In addition, our own brand hotels, namely Yanling Jianye The Mist Hot Spring Hotel, Zhengzhou Jianye Sky Mansion, Xuchang Shenhui Town • Jianye Starry Hills and Xinyang Jigongshan • Jianye Starry Hills opened successively from 2018 to 2020, while its own brands of hotels, namely, Pingdingshan Jianye Triumph Hotel, Zhumadian Jianye Triumph Hotel, Unique Theatre Hotel, Yunxiu Hotel and Linqi Hotel are all under construction. Our total investment in hotels at present has reached RMB4.68 billion, and the number of hotels invested in Henan reaches 14.

Le Méridien Zhengzhou

Le Méridien Zhengzhou is the first international brand hotel focusing on art, design and culture in central China. Adjacent to Zhengdong New District and Zhengzhou East Railway Station, the largest railway station in Asia, and located at the intersection site of Zhengzhou Metro Line 3 and Line 4, it only takes 10 minutes' and 28 minutes' drive to Zhengzhou International Convention and Exhibition Centre and Xinxing International Airport, respectively.

Located at No. 1188, Zhongzhou Avenue, Zhengzhou City, the hotel composes a complete integrated business district with the surrounding shopping malls, restaurants and commercial office buildings. Modern art elements and local features are integrated into the design of the restaurant, guest rooms and lobby in the hotel. The unique design and brand concept present you the distinctive Le Méridien Zhengzhou.

The hotel has a total of 337 deluxe rooms and suites, equipped with world-class facilities and a mix of classic design and fashion elements. The characteristic restaurant and bar will enrich your stay experience and provide you with splendid Chinese and international cuisines. The fitness center combining fitness, spa, swimming pool, yoga and jogging track, the sizeable pillarless banquet covering an area of 800 sq.m., and 8 multi-function halls, are all ideal places for you to relax and hold events.

Address: No. 1188, Zhongzhou Avenue (northwest corner of the junction of Zhengbian Road and Zhongzhou Avenue), Zhengzhou City
Tel: 0371-55998888

Aloft Zhengzhou Shangjie

Located on the opposite of the District Government of Shangjie District, Zhengzhou City, Henan Province, Aloft Zhengzhou Shangjie is conveniently situated, within only 50 minutes' and one hour's drive from Zhengzhou Railway Station and Zhengzhou Xinzheng International Airport, respectively.

The 16-floor hotel has 172 stylish, fresh and fun Aloft Cheerful Rooms (樂窩客房), including 8 deluxe Cheerful Suites (樂窩套房) and 2 accessible Cheerful Rooms. Besides, inspired by the 9-foot ceiling, velvety dreaming beds, Wi-Fi Internet service, 42-inch LCD TVs, oversized shower space with rain showers, and fragrant specialty coffee, the 3,698 sq.m. Cool conference room and the sizeable banquet space, countless whimsies would spark here and there.

Address: No. 101, Zhongxin Road, Shangjie District, Zhengzhou (opposite to the District Government of Shangjie District)
Tel: 0371-68136666

Holiday Inn Nanyang

Holiday Inn Nanyang is located in Nanyang, the ancient capital of China, which is famous for its natural fresh air and jade culture. Holiday Inn Nanyang is the first internationally renowned five-star hotel in Nanyang. Covering an area of 66,700 sq.m., the hotel has a favorable geographical location with pleasant garden landscape and a rippling lake.

The 353 guestrooms and suites are tailor-made for your luxury and comfort experience. The 1,000 sq.m. sizeable banquet hall offers banquet services to both local and international companies, with wireless Internet accessing to all areas of the hotel, including the fitness center and the swimming pool. Whether you are on vacation, planning a wedding or holding a meeting, Holiday Inn Nanyang is the perfect choice for you.

Address: No. 2000, Xincheng Road East, Wancheng District, Nanyang City

Tel: 0377-60218888

Four Points by Sheraton Luohe

Four Points by Sheraton Luohe is located by the west branch of Songshan Road, Yancheng District, Luohe City, adjacent to Luohe International Convention and Exhibition Centre. It takes about 10 minutes' drive to the downtown and Luohe Railway Station, and only 90 minutes' drive to Zhengzhou Xingzheng International Airport.

The hotel has 244 warmly designed rooms, with the only international buffet restaurant in the city, namely The Eatery (宜客樂), a Chinese restaurant integrated with traditional and new Cantonese cuisine, namely Juweixuan (聚味軒), an indoor heated swimming pool, sauna equipment, a fitness centre, chess rooms and a pillarless banquet hall, which can bring you infinite surprises of accommodation, catering and leisure.

Address: No. 6, west branch of Songshan Road, Yancheng District, Luohe City

Tel: 0395-2566999

Pullman Kaifeng Jianye

Embraced by the rippling surface of a lake, Pullman Kaifeng Jianye is located on the northwest side of the ancient city walls in downtown Kaifeng, within 10 minutes' drive from Kaifeng Railway Station and 50 minutes' drive from Xinzheng International Airport. The hotel covers a total GFA of 43,536 sq.m. and a site area of approximately 58,300 sq.m., with the vegetation within the city wall area remaining intact.

Pullman Kaifeng Jianye offers 186 guest rooms and is a five-star resort hotel comprising business conference, food & beverage, accommodation, leisure and entertainment. The hotel is equipped with conference centre, banquet centre, all-day dining restaurant, Chinese restaurant, featured bar, lobby bar, executive lounge, gym, swimming pool, SPA, yoga room, indoor golf and other facilities to provide occupants with "convenience and sense of superiority". The building is a post-modern architecture in Northern Song Dynasty style, adopting wood-like exterior finishing material to cast beautiful reflections in the blue waters.

Address: No. 16, Longting North Road, Longting District, Kaifeng City
Tel: 0371-23589999

Zhengzhou Jianye Sky Mansion

Zhengzhou Jianye Sky Mansion is located at the northwest corner of the intersection of Dongfeng East Road and Kangning Street. It gathers three city centers within 3 kilometers, namely the CBD Central Business District, the new provincial government and Zhengzhou East High Speed Railway Station, covering an area of 32,929.8 sq.m.

The project is featured as a high-end service apartment of CCRE with a total of 302 sets of rooms, ranging from bachelor apartments to four-bedroom apartments. The apartment is equipped with all-day dining restaurant, Japanese Izakaya, gym center, children's play room and other facilities providing occupants with safe, convenient, warm and comfortable living space.

Address: Block 9, 58 Kangning Street, Zhengzhou City
Tel: 0371-65686888

Yanling Jianye The Mist Hot Spring Hotel

Yanling Jianye The Mist Hot Spring Hotel is located at Chenhuadian Town, Yanling County, Xuchang, Henan Province, covering an area of 50,264 sq.m.

The hotel offers 51 guest rooms and is equipped with all-day dining restaurant, Chinese restaurant, outdoor hot spring and pool, indoor swimming pool and pool, SPA, gym center, lobby bar, tea room, banquet hall and other facilities.

The hotel, a joint masterpiece of Amata Luphaiboon and Twitee Vajrabhaya Teparkum who are both internationally renowned architects, has officially opened on 28 March 2018.

Address: North side of Huadu Avenue, Chenhuadian Town, Yanling County, Xuchang City, Henan Province
Tel: 0374-7968888

Xuchang Shenhou Town • Jianye Starry Hills

Shenhou Town is the first batch of characteristic towns in China, “Capital of Jun Porcelain in China”, and Jun Porcelain produced during the reign of Emperor Huizong of the Northern Song Dynasty was designated as “Treasures of the Royal Court”. Xuchang Shenhou Town • Jianye Starry Hills is our first Starry Hills brand theme characteristic hotel.

Relying on the Jun porcelain culture and historical heritage of Shenhou Town, Xuchang Shenhou Town • Jianye Starry Hills is committed to creating an immersive stay experience of Jun porcelain art. While integrating into the local area, residents have the opportunity to personally touch the developing sequence of Jun porcelain by learning and making porcelain. In addition to 30 comfortable guest rooms, the hotel is equipped with restaurants, book bars, tea rooms and living rooms, providing customers with a comfortable space to empty their minds and have a dialogue with history.

Address: Beside Dongda Primary School, Jianshe Road, Shenhou Town, Yuzhou City, Henan Province
Tel: 0374-8616999/0374-8618999

Xinyang Jigongshan • Jianye Starry Hills

Jigongshan Mountain, Xinyang, one of the four summer resorts in China, is located on the north-south boundary of China, and is known as “Greenness Dividing Chu (Hubei Province) and Yu (Henan Province)”. It is grand and magnificent while beautiful, making it an excellent choice for sightseeing and vacation.

Xinyang Jigongshan • Jianye Starry Hills is located at the mountainside of Jigongshan Mountain of Xinyang, adjacent to the “villa-clusters of multi countries” built from the late Qing Dynasty to the early Republic of China. The hotel has a panoramic view of the beautiful mountains, and provides a space for guests to have a rest and imagination while viewing different architectural styles and exploring history, thus interpreting the brand idea of “living next to the stars and doing what you want”.

The 89 guest rooms, together with restaurants, conference rooms, shared spaces and mahjong rooms, can meet various holiday needs of individuals, teams, parents and children, and provide experience of the comfortable life of viewing mountains, knowing mountains and enjoying mountains.

Address: Beside Zhongzheng Plaza, Jigongshan Scenic Area, Shihe District, Xinyang City, Henan Province

Tel: 0376-8658888

Unique Theatre Hotel (Under Construction)

Zhengzhou Jianye Unique Theatre Hotel relies on the Drama Magic City and brings customers the experience of “living in the drama” and the opportunity to get a closer look at the splendid Central China. In addition, the rich cultural and tourism businesses in Zhengzhou International Cultural and Creative Industry Park enable residents to have more efficient and convenient vacation trips in their spare time.

It takes less than 40 minutes to Zhengzhou East High Speed Railway Station, South High Speed Railway Station and Xinzheng International Airport. With 396 guest rooms and 2 full-time restaurants, Zhengzhou Jianye Unique Theatre Hotel will become a comfortable place for customers to immerse themselves in Henan Drama Magic City, and then meet and get to know the brand-new Henan. The hotel is expected to open in April 2021.

Address: Southeast corner of intersection of Wenchuang Road and Jianying Road, Zhengzhou International Cultural and Creative Industry Park

Pingdingshan Jianye Triumph Hotel and Zhumadian Jianye Triumph Hotel (Under Construction)

Pingdingshan Jianye Triumph Hotel and Zhumadian Jianye Triumph Hotel are Jianye’s own brand hotels, both of which are standard hotels built by Henan Jianye Zhizun Hotel Investment Co., Ltd. Pingdingshan Hotel is also the representative of our standard hotel construction of Jianye. There are 161 guest rooms in each of Pingdingshan and Zhumadian hotels, which are equipped with banquet halls, all-day restaurants, conference rooms, gyms and other service facilities to meet the needs of business travelers. Pingdingshan and Zhumadian hotels have started construction in the second half of 2019 and are expected to open at the end of 2022.

Linqi Hotel (Under Construction)

Zhengzhou Jianye Linqi Hotel is located beside Zhengzhou Navigation Stadium, adjacent to the super high-rise Jianye headquarters office building and Jianye Exhibition Hall under construction. The hotel is designed by Amata Luphaiboon, a well-known architect and designer of Six Senses Samui on Samui Island. The hotel draws inspiration from nature, integrates the concepts of trees and forest shade into architectural design, and advocates that residents living in it enjoy relaxation through the senses like perching in the forest, feel the process of life growth and rest, and experience the inner nature.

The main body of the hotel is an ultra-modern low-density building with 5 floors above the ground, with 177 guest rooms, equipped with full-time restaurants, lobby bars, outdoor bars, conference rooms, gyms, swimming pools, etc. The hotel is committed to interpreting the aesthetic impression and living experience of Henan with the world-class design and pure courtesy of Central China. The hotel is expected to open in 2023.

Yunxiu Hotel (Under Construction)

Zhengzhou Jianye Yunxiu Hotel is located in Zhengzhou International Cultural and Creative Industry Park. Designed by Oki Sato, founder of Nendo, it is the world premiere hotel work of Nendo.

Nendo draws inspiration from Henan's characteristic geographical and cultural elements, such as caves and Longmen Grottoes. With the help of stacks, shadows, hollows and layers of caves, Nendo develops architectural textures in various areas of the hotel, which makes the hotel full of sense of sculpture, sense of light and shadow and three-dimension effect. When guests live in it, they seem to be accompanied by wind, light and fog, so they can feel the rich gifts of nature and start a rare journey of art design.

The hotel has 231 guest rooms, which are equipped with Xiu cafe, Qingfeng Chinese Restaurant, Xiuju Japanese Restaurant, Ciao Bella Italian Restaurant, Sky Terrace Hotel, Yunshang Swimming Fitness Center and other sound facilities. It is a luxury art design hotel integrating business conference, food & beverage, accommodation, leisure and entertainment. The hotel is expected to open in 2024.

3. *Cultural tourism*

Cultural tourism sector of the Company is engaged in development and operation of real estate projects for cultural tourism principally located in historic cities in Henan Province, such as Zhengzhou, Kaifeng and Luoyang. Having been rich in history, culture and natural resources, it tells the “Jianye story of cultural tourism” in different style, forms and substance through theme park, tourist district and real scenery performance. As of 31 December 2020, the Company had the following projects for cultural tourism, namely Jianye Huayi Brothers Movie Town, Unique in Henan Drama Magic City (只有河南•戲劇幻城), Zhengping Fang in Luoyang, Qishengjiao in Kaifeng, and Yingtaogou Football Town of Jianye Central China Cultural Town.

With the good performance of the cultural tourism sector in recent years, the Company has received strong attention in China’s cultural tourism industry, and its industry influence has been greatly enhanced. In 2020, the Company was awarded “Top 20 China Tourism Groups” in the 2020 China Tourism Group Development Forum, and “Outstanding Organization of China Cultural Tourism Industry in 2020” in China International Fair for Trade in Services – the 2020 China (Beijing) Cultural Tourism Industry Conference. Henan Central China Culture Tourism Real Estate Development Co., Ltd., a subsidiary of the Company, won the “Most Growable Cultural Tourism Enterprise Award” in the Longque Award of Chinese Cultural Tourism Industry and the “Advanced Cultural Tourism Enterprise in Henan Province” in the Henan Cultural Tourism Conference.

Jianye Huayi Brothers Movie Town is the Company’s strategic cooperation project with Huayi Brothers (Tianjin) Real Scene Entertainment Company Limited (the “Huayi Brothers”). The project is located in International Cultural and Creative Industry Park in Zhengzhou with a total land use scale of approximately 600 mu. In the form of film scene and with an essence of historical culture and memory of the city, the project provides an experiential site for experiencing film culture incorporating tour of film scene, exhibition of film culture, film interactive games, folk and intangible cultural heritage experience, a series of large-scale performance, unique cuisine and themed inns.

The first two blocks of the project covering an area of 163.2 mu was grandly premiered on 21 September 2019 and put into operation, with strong market response. The project has grown into the leading Internet-famous site in Central China, being on CCTV for 14 times and People's Daily for 9 times, with over 48 million exposures of live webcasts. The current program recorded by Zhejiang Satellite TV's "Running Man", the domestic ace variety show, won the first place in the whole network variety show when it premiered.

In 2020, the project overcame the adverse effects brought by the COVID-19 epidemic and achieved good results in business performance, operation management and brand building. Under the circumstance that the park was closed for 64 days from January 24 to March 27 due to epidemic prevention and control, and the Spring Festival golden holiday was missed, it received 1.9 million tourists and the operating income reached nearly RMB240 million. The project has continuously improved its operation and management level. This year, it passed the national review and was listed as a national AAAA-level tourist attraction. The brand influence of the project continued to increase. In 2020, it was awarded many important influence awards in the industry, such as "China's Most Popular Cultural Tourism Destination", "Pioneer Award of Chinese Cultural Tourism", "Top Ten Innovative Projects of Cultural and Tourism Integration Development" and "Top Ten Night Performing Arts Favored by Tourists", which attracted many visits from the same industry to study and negotiate.

Unique in Henan Drama Magic City is a large-scale acting and performance project co-developed with Wang Chaoge (王潮歌), a director of real scenery performance, and one of the Type-A Key Construction Projects in Henan Province for 2020. The project is located in International Cultural and Creative Industry Park in Zhengzhou with a total site area of approximately 600,000 sq.m. Inspired by the long-standing and rich history and culture of Henan with innovated forms of performance, the project aims to reveal the rich Central China culture as well as the glorious Chinese culture through the combination of several dramas with outdoor scenes as well as functional spaces by making use of its unique architectural space, helping people understand the history and culture in multi-sensory approach. The project is of great significance for highlighting the characteristics, reshaping the style, manifesting the spirit and contributing to cultural confidence of Henan. The construction of the project commenced in March 2018. By 31 December 2020, the main theater of the project had been delivered to the director group for rehearsal. It is expected that the project will be premiered in the first half of 2021.

Zhengping Fang in Luoyang is a large-scale cultural and tourism complex project built by the Company. The project is located at Ancient Capital of 13 Dynasties, Luoyang City, Henan Province. Its development is currently under good progress.

Located at Longting District, Kaifeng City (used to be the Ancient Capital of Eight Dynasties), Henan Province, Kaifeng Qishengjiao project is a culture, tourism and leisure street which imitates the style of Song Dynasty, featuring shopping, unique cuisine, guest houses, entertainment, leisure, and cultural experience. With rich tourism resources nearby, the project enjoys obvious advantages. Adjacent to the 2 km Yuhe River constructed with our investment, the project has highlighted the characteristics of a northern waterside city and has successfully connected tourism resources. Since the opening in 2014, Qishengjiao has attracted attention from all walks of life, becoming a new spot popular with tourists. In October 2020, the project completed the rejuvenation and upgrading. Through the collection of 17 designer concept stores, the original Baogong culture IP, the container Internet-famous site, the rail steam train, the ice and snow world theme park and other highlights, as well as the new building light show, graffiti show and other light cultural travel performing arts products, it realized the combination of youth, trend and classicality, and created a new image of the commercial street combining “art + trend + culture + architecture + space + creativity + aesthetics”.

Yingtaogou Football Town of Jianye Central China Cultural Town is a sports tourism holiday town with football and cultural experience as the core, sports industry innovation as the driving force, training, events and sports games as the carrier, and integrating sports, leisure, culture and tourism. The project is located in Yingtaogou Tourism Scenic Spot, a national AAAA level scenic spot in Erqi District of Zhengzhou City, with a planned construction land of about 2,500 mu.

On 28 September 2018, the project held a grand opening ceremony, announcing the official opening of the project guide block. Open projects include ecological football stadium, football park, outdoor theme basketball court, intelligent sports park for all ages-Nordic Paradise, riding park with outdoor cross-country cycling experience, Jianye Food Court with opera culture and folk catering culture experience, etc. At present, the town is constantly building and planning more sports, culture, leisure, health and other life projects.

4. *Green Houses*

CCRE's green houses are main body of the establishment and operation of CCRE's modern agricultural projects. As at the end of the reporting period, the Company had four green houses completed and in operation, namely Yanling Jianye Green House, Hebi Jianye Green House, Zhoukou Jianye Green House and Yichuan Jianye Green House; One green house available for visit basically completed, namely Wuzhi Jianye Green House.

Yanling Jianye Green House

Yanling Jianye Green House is located in Yanling County, Xuchang City, less than 100 km from Zhengzhou City, with a site area of over 5,000 Chinese-mu. The project is equipped with intelligent gutter-connected greenhouse, multi-functional exhibition hall, technology research center and culture room for cut flowers as well as 3,000 Chinese-mu eco-tree seedlings, endeavouring to build a modern agricultural countryside complex zone concerning six highlights of "efficient agriculture, agri-tourism, cultural creativity agriculture, demonstration and experience agriculture, science popularisation agriculture, and healthcare and well-being improvement agriculture".

The number of visitors of Yanling Jianye Green House for the past three years was in excess of 2 million, including provincial and city level officials, local and foreign experts in relevant fields, scholars, Jianye property owners and members of "Jianye Junlin Club".

In recent years, Yanling Jianye Green House successively won the honorary titles of national 4A tourist attraction, the “Municipal Leading Enterprise of Agricultural Industrialisation of Xuchang City for 2019-2020”, the “Provincial Key Leading Enterprise of Agricultural Industrialisation for 2019-2021” and “Top 10 Scenery Spot in Xuchang City”. Yanling Jianye Green House is the “Special Social Practical Education Base for Primary and Secondary Schools in Henan Province”. Besides, It became the “Off-campus Practical Education Base for Local Undergraduate in Henan Province” on 1 October 2020. The House met the Requirements of Integration of Informatization and Industrialization Management Systems (GB/T23001-2017) and passed the certification on 30 November 2020, thus obtaining the Certificate of Integration of Informatization and Industrialization Management System. The abovementioned achievements and honours represent the recognition of the government and all sectors of society for the role of the Company in effective promotion of local industrial upgrading, farmers’ prosperity and rural revitalisation.

Hebi Jianye Green House

Hebi Jianye Green House is located at the urban-rural integration demonstration zone in Hebi City with a total site area of approximately 4,450 Chinese-mu. It is a countryside complex zone covering modern agriculture, leisure and tourism, and rural community. At present, Hebi Jianye Green House is equipped with six functional areas, namely, welcome area, folk culture experience area, efficient agriculture tourist area, farming culture experience area, waterside ecological sightseeing area, and farming, forestry and breed demonstration area, of which, 60,000 sq.m. of 13 intelligent gutter-connected greenhouses, 20,000 sq.m. of Qishui Biyu Lake, colourful flower field and wedding lawn, 150 Chinese-mu of eastern flower area, as well as 4,000 Chinese-mu of ecological conservancy belt and picking garden have been open to the public. Hebi Jianye Foodcourt has also been put into use. The project also cooperated with Chenzhai Flower Group, a China “Top 3 Enterprises” in the floral industry and introduced professional service team of Chenzhai Flower Group, with a view to building a flower trading center in North Henan Province.

After five years of collaborative and innovative development, Hebi Jianye Green House successively won the following honorary titles: the “Agricultural Parks of the PRC” by Ministry of Agriculture and Rural Affairs, “Henan Rural Migrant Workers Returning Home Entrepreneurship Demonstration Park” by the People’s Government of Henan Province, “Provincial Key Leading Enterprise of Agricultural Industrialisation of Henan Province” by Henan Agricultural and Rural Affairs Department, “Leisure and Sightseeing Park of Henan Province” by Henan Cultural Tourism Department, “Hebi Agricultural Science and Technology Park” by Hebi Municipal Science and Technology Bureau, “Provincial Key Leading Enterprise of Forestry Industrialisation of Henan Province” by Henan Provincial Department of Forestry, and “Special Social Practical Education Base for Primary and Secondary Schools in Henan Province” by the Education Department of Henan Province. In the meantime, Hebi Jianye Green House took the lead to set up Henan Leisure Agriculture Industrialisation Union; the House proactively participated in poverty alleviation, directly or indirectly offered over 5,000 jobs for local farmers, provided more than 1,000 agricultural science education sessions for rural migrant workers as well as middle and primary school students. Thus, the Company was awarded the titles of Municipal Creditworthy SMEs and “Advanced Unit” with outstanding contributions.

Based on the Facilities Horticulture Intensive Cultivation Engineering and Technology Research Center of Hebi City, together with Henan University, and Xinyang Agriculture and Forestry University, Hebi Jianye Green House built a platform for production, education and research cooperation to provide support for the Company to repeatedly update its technology. “Jianye Green House Qihe Ecological Conservancy Belt Project” was listed as a national comprehensive pilot project of energy conservation and emission reduction, and obtained four utility model patent certificates in 2020. “Jianye Green House Agricultural Complex Project” was listed as a key construction project of Henan Province for three consecutive years.

Yichuan Jianye Green House

Yichuan Jianye Green House is located in North of Zhangyao Village, Jiangzuo Town, Yichuan County, Luoyang City, with approximately 6,725 Chinese-mu and total investment amount of approximately RMB2 billion. The overall positioning strategy of the project is a countryside complex concerning six highlights of “modern agriculture, ecological leisure, cultural creativity, experience center, science popularization and healthcare”, with maintaining sustainable development for protecting ecological environment as its basis and with development strategy focusing on “agricultural + cultural tourism + healthy”, and with local characteristics of “demonstration zone of modern agricultural complex + ecological culture protection + picturesque village + Jianye foodcourt”.

Construction progress as at the end of the reporting period: 1) the park’s overall planning and design as well as construction of infrastructures including roads and pipe network in the park had been completed; 2) the park gate and the dam had been completed; 3) core tourism area and children’s playground had been completed and park lighting and atmosphere building project had also been completed; 4) domestic leading double-storey intelligent gutter-connected greenhouse of 11,000 sq.m., flower forcing caves of 510 sq.m. and equipment installation, the plant factory and sightseeing cave of 630 sq.m., and the lakeside properties of 1,400 sq.m. had been completed; 5) folk culture experience cave of 500 sq.m. had been completed; and 6) the forest form transformation (Phase I) had been completed, and a total of approximately 56,000 ornamental seedlings including ginkgo, sakura and flowering peach were planted, contributing a green area of approximately 330,000 sq.m.

Projects in operation as at the end of the reporting period: Hilly Intelligent Greenhouse, Tourist Service Center, Yaji Lakeside Restaurant, Hiking Trail, Cave Homestay, Staff Restaurant, Parent-Child Lawn, Cute Pet Paradise, Outdoor Barbecue, Kitchen Fair, Starry Sky•RV Camp, Suge•Stream Side Homestay, Children’s Playground, Tent Camp, Outdoor Development Area, Specialty Product Fair, Under-forestry Planting and Feeding, Chinese Herbal Medicine Planting and supporting infrastructure, etc.

Zhoukou Jianye Green House

Zhoukou Jianye Green House is located on the banks of the old canal in the urban-rural integration demonstration zone in Xuwan Village, Xuwan Township, Zhoukou City with a site area of more than 6,000 Chinese-mu and a planned total investment of RMB3 billion. The project covers modern eco-agriculture, old canal reconstruction and urban wetland restoration, leisure experience, cultural tourism, health and elderly care, etc. and integrates high-end flower, fruit and vegetable production, fine seedling and flower cultivation, culture mining of old canal century-old shipping ferry, experience of special diet in Central Plains, urban wetland and riverside landscape belt along the old canal, folk wedding celebration photography base, etc. with a view to forming an urban countryside complex with an international leading and domestic first-class modern agricultural industry chain integrating “research and development, production, demonstration and experience”. Relying on the construction of the time-honored old canal, the House aims at resuming the prosperity of the old canal as the artery of water transport in the Ming and Qing Dynasties, so that tourists can experience the profound history and culture of the ancient Zhoukou there, reminding their memories for the canal, filling the market gaps in tourism, vacation and recreation in Zhoukou and meeting the recreational tourism demands of residents during weekends and nighttime.

Projects completed and put into operation as at the end of the reporting period: 1) the office and accommodation area of approximately 6,000 sq.m.; 2) the intelligent gutter-connected greenhouse of 36,000 sq.m.; 3) the core landscape demonstration area of 200,000 sq.m.; 4) the Tongle Valley Parent-Child Paradise of 20,000 sq.m.; 5) the experience agriculture demonstration park of 60 Chinese-mu; 6) Jianye foodcourt of 5,000 sq.m.; 7) modern and technical agriculture exhibition hall of 5,000 sq.m.; 8) comprehensive service center of 7,500 sq.m.; and 9) planting area of seedlings, fruit trees and lawns has achieved over 3,000 Chinese-mu.

Zhoukou Jianye Green House has attracted a total of 800,000 visits since its opening to the public on 5 April 2020, including nearly 4,000 visits from provincial and city level officials, as well as local and foreign experts and researchers in relevant areas. Besides, the House maintained the long-term and stable cooperation with all kinds of sports association, wedding associations, outward bound training institutions, research and education institutions, etc. In December 2020, Zhoukou Jianye Green House was named as “Nighttime Culture and Tourism Consumption Cluster in Henan Province” by Henan Provincial Department of Culture and Tourism.

Wuzhi Jianye Green House

Wuzhi Jianye Green House is located in Jiayingguan Township, Wuzhi County, covering an area of 2,568.6 Chinese-mu and a total planned investment of about RMB1 billion. The proposed construction includes the Yellow River ancient road cultural exhibition area, the ancient and modern commercial and cultural complex (square-shaped city), pastoral style hotel, comprehensive demonstration area of modern agriculture, and Jianye foodcourt, etc. As at the end of the reporting period, the decoration on the exterior walls of the ancient and modern commercial and cultural complex (square-shaped city) had been completed, and decoration of square-shaped city’s west exhibition hall and south exhibition hall had been completed; the sewage treatment plant (capacity of 500 cubic meters/day) had been built, supporting facilities, including towerless water supply facility, box type transformer and natural gas, had been put into use; the landscape project (Phase I) 125,000 sq.m. and the main part and interior decoration of intelligent greenhouse had been fully completed; purchase of greenhouse facilities and equipment, fire fighting, security, air conditioner and boiler had been completed; and three greenhouses had been in operation. Foodcourt decoration had been completed and business license and food hygiene licence had been obtained, and it is expected to go into operation in the first half of 2021.

The intelligent greenhouse of Wuzhi Jianye Green House is scheduled to step up efforts to attract the investment, and complete construction and go into production in 2021, with Phase I of the project fully open to the public at that time.

5. *Light Asset*

Henan Zhongyuan Central China City Development Co., Ltd.* (河南中原建業城市發展有限公司, hereinafter referred to as “Zhongyuan Jianye”), a subsidiary of the Company, is in charge of project management of light-asset business. Positioning itself as a comprehensive service provider for real estate agent construction, Zhongyuan Jianye is resolute as ever in its vision and mission of “building quality houses for the people of Henan” and “providing quality living standards for the people of Henan”, and delivers its brands, management and resources by leveraging the brand recognition of CCRE in its target markets, the outstanding management capacity, the mature product system and service system, as well as the comprehensive capability of resources allocation and integration. In addition, the Company devotes itself to consolidating regional resources, and developing a comprehensive real estate agent construction platform built, shared and won by real estate developer for real estate development and operation to establish a complementary advantages, win-win cooperation, open and dynamic enterprise ecosystem and enhance its comprehensive competitiveness and ability of creating value. It helps the Group to go out of Henan, move towards the Great Central China and serve the Great Central China as the Group deems it as its duty to facilitate urbanization construction of the Great Central China and improve living environment in the region.

In 2020, in accordance with the strategic development plan of the Group, Zhongyuan Jianye started equity carve-out and made great effort to connect to the capital market. The Group delivers its brands, management and resources by leveraging the impressive brand influence of CCRE in its target markets, the outstanding management system, as well as the comprehensive capability of resources allocation and integration. The scale effect was constantly expanding, and the profitability was steadily improved. In September 2020, it was awarded the second place of “2020 Leading Brand of Chinese Real Estate Agent Construction” by TOP 10 Research Group of Chinese Real Estate.

As of 31 December 2020, 80 newly signed light asset projects were realized in 2020, with a total GFA of 8.58 million sq.m.; In the year, the sales amount reached RMB34.3 billion. Zhongyuan Jianye is responsible for constantly formulating and optimizing standardized management principles and agreements, improving talent development program, partnership pairing up and evaluation mechanism, enhancing products and services supervision mechanism, and building resources integration and share platform.

As for light assets, Zhongyuan Jianye has signed a total of 246 light assets projects, with a GFA of approximately 33.09 million sq.m.. As of 31 December 2020, Zhongyuan Jianye has completed a total of 40 light asset projects, with a GFA of approximately 7.55 million sq.m..

Under the guidance of the Great Central China strategy, Zhongyuan Jianye insisted on consolidating the Henan market, continued developing the Great Central China market and moving towards the national market, thus promoting the Group's strategy for both light and heavy asset to a new level. In 2020, Zhongyuan Jianye continued to extend its business into markets in other provinces, following up on 62 intentional projects located outside the province throughout the year. At present, there are 14 key followed-up projects, including 2 intentional projects similar to the style of CCRE Cultural Town and 12 residential projects.

Zhongyuan Jianye will continue to strengthen market research in seven neighboring provinces, define the idea of expanding the national market, innovate the working mechanism of national market development, and promote the steady development of light asset business. At the same time, it will continue to make innovation in products, operations and services, keep improving management system, build a stronger talent team, and further facilitate coordination between different internal businesses to integrate relevant external resources, and develop and expand upstream and downstream of the industry chain, to greatly improve its comprehensive competitiveness and ability of creating values, and continuously improve the profitability of light asset business.

(III) Land Reserves

During the reporting period, the Group acquired land with a site area of approximately 3.03 million sq.m. through tendering, auction and listing as well as equity cooperation, which newly added land reserves with a total GFA of approximately 9.18 million sq.m.. As of 31 December 2020, the Company had land reserves with a total GFA of approximately 54.11 million sq.m., including beneficially interested GFA of approximately 40.29 million sq.m..

1. Land Tendering, Auction and Listing

On 2 January 2020, the Group acquired the land use right of a land parcel (No. 2019-15) located at the east of Jianguo Road and the north of Dongfeng Road of Fengqiu County in online tendering (listing) for sale process on the online listing system held by Natural Resources Trading Website of Henan Province (河南自然資源交易網) for transfer of state-owned construction land use rights. The purchase price for the acquisition was RMB70.03 million. No. 2019-15 land parcel has a site area of 38,898 sq.m. with a mandatory detailed planned plot ratio of 1.94.

On 6 January 2020, the Group acquired the land use right of a land parcel (Qidichu No. 2019-42) located at the west of Heqi Avenue, the south of Weier Road, the east of Jingsi Road, and the north of Planning Branch Road of the main urban area of Qi County in online tendering (listing) for sale process held by Natural Resources Bureau of Qi County (淇縣自然資源局) for transfer of state-owned construction land use rights. The purchase price for the acquisition was RMB93.30 million. Qidichu No. 2019-42 land parcel has a site area of 54,344 sq.m. with a mandatory detailed planned plot ratio of 2.1.

On 20 May 2020, the Group acquired the land use rights of three land parcels (No. HT2020-3, No. HT2020-4 and No. HT2020-5) located at the intersection of Fuchunjiang Road and Binhe Road in the Hebi Urban-rural Integration Demonstration Area in online tendering (listing) for sale process held by Hebi Natural Resources and Planning Bureau (鶴壁市自然資源和規劃局) for transfer of state-owned construction land use rights. The purchase price for the acquisition was RMB586.36 million. No. HT2020-3, No. HT2020-4 and No. HT2020-5 land parcels have a site area of 88,551 sq.m., 92,198 sq.m. and 102,721 sq.m. respectively with a mandatory detailed planned plot ratios of 1.6, 1.5 and 1.8 respectively.

On 5 June 2020, the Group acquired the land use right of a land parcel (Dengzhengchu No. [2020]10) located at the east of Yangcheng Road and the north of Yinghe Road of Dengfeng City in online tendering (listing) for sale process held by Dengfeng Natural Resources and Planning Bureau (登封市自然資源和規劃局) for transfer of state-owned construction land use rights. The purchase price for the acquisition was RMB96.04 million. Dengzhengchu No. [2020]10 land parcel has a site area of 23,983 sq.m. with a mandatory detailed planned plot ratio of 2.0.

On 24 June 2020, the Group acquired the land use rights of two land parcels (No. ZK2020-39 and No. ZK2020-40) located at the south of Kaiyuan Avenue and the west of Bayi Road of Zhoukou City in online tendering (listing) for sale process held by Zhoukou Natural Resources and Planning Bureau (周口市自然資源和規劃局) for transfer of state-owned construction land use rights. The purchase price for the acquisition was RMB368.8 million. No. ZK2020-39 and No. ZK2020-40 land parcels have a site area of 58,215 sq.m. and 61,140 sq.m. respectively with a mandatory detailed planned plot ratio of 2.9.

On 13 August 2020, the Group acquired the land use right of a land parcel (No. MZGT2020-13) located at the east of south section of Huichang Road of Mengzhou City in online tendering (listing) for sale process held by Mengzhou Natural Resources and Planning Bureau (孟州市自然資源和規劃局) for transfer of state-owned construction land use rights. The purchase price for the acquisition was RMB103.82 million. No. MZGT2020-13 land parcel has a site area of 47,736 sq.m. with a mandatory detailed planned plot ratio of 2.0.

On 14 August 2020, the Group acquired the land use right of a land parcel (No. WZGT2019-70) located at the east of Heshuo Avenue of Wuzhi County in online tendering (listing) for sale process held by Wuzhi Natural Resources Bureau (武陟縣自然資源局) for transfer of state-owned construction land use rights. The purchase price for the acquisition was RMB181.57 million. No. WZGT2019-70 land parcel has a site area of 58,970 sq.m. with a mandatory detailed planned plot ratio of 2.5.

On 17 August 2020, the Group acquired the land use right of a land parcel (No. LYTD-2020-29) located at the south of Heluo Road in High-tech Zone of Luoyang City in online tendering (listing) for sale process held by Luoyang Natural Resources and Planning Bureau (洛陽市自然資源和規劃局) for transfer of state-owned construction land use rights. The purchase price for the acquisition was RMB404.62 million. No. LYTD-2020-29 land parcel has a site area of 37,078 sq.m. with a mandatory detailed planned plot ratio of 3.2.

On 19 August 2020, the Group acquired the land use right of a land parcel (No. 2020-13) located at the north of Beian Road of Luoshan County in online tendering (listing) for sale process held by Luoshan Natural Resources Bureau (羅山縣自然資源局) for transfer of state-owned construction land use rights. The purchase price for the acquisition was RMB266.80 million. No. 2020-13 land parcel has a site area of 63,072 sq.m. with a mandatory detailed planned plot ratio of 1.8.

On 19 August 2020, the Group acquired the land use right of a land parcel (No. LYTD-2020-31) located at the northeast corner of Tianzhongdong Road and Huaxia Road in High-tech Zone of Luoyang City in online tendering (listing) for sale process held by Luoyang Natural Resources and Planning Bureau for transfer of state-owned construction land use rights. The purchase price for the acquisition was RMB272.43 million. No. LYTD-2020-31 land parcel has a site area of 31,301 sq.m. with a mandatory detailed planned plot ratio of 2.5.

On 21 October 2020, the Group acquired the land use right of a land parcel (No. LYTD-2019-47) located at two sides of the northern end of Wangcheng Bridge in Xigong District of Luoyang City in online tendering (listing) for sale process held by Luoyang Natural Resources and Planning Bureau for transfer of state-owned construction land use rights. The purchase price for the acquisition was RMB1,490.29 million. No. LYTD-2019-47 land parcel has a site area of 77,663 sq.m. with a mandatory detailed planned plot ratio of 5.28.

On 30 November 2020, the Group acquired the land use right of a land parcel (No. SCX-2020-58) located at the east of Chaoyang Avenue and the south of Guangyuan Road of Shangcai County in online tendering (listing) for sale process held by Shangcai Natural Resources Bureau (上蔡縣自然資源局) for transfer of state-owned construction land use rights. The purchase price for the acquisition was RMB95.91 million. No. SCX-2020-58 land parcel has a site area of 42,064 sq.m. with a mandatory detailed planned plot ratio of 2.1.

On 10 December 2020, the Group acquired the land use right of a land parcel (No. Zhengzhengchu [2020]049 (net)) located at the south of Yingcai Street and the east of Xiangshan Road in Huiji District in online tendering (listing) for sale process held by Zhengzhou Natural Resources and Planning Bureau (鄭州市自然資源和規劃局) for transfer of state-owned construction land use rights. The purchase price for the acquisition was RMB375.55 million. No. Zhengzhengchu [2020]049 (net) land parcel has a site area of 28,704 sq.m. with a mandatory detailed planned plot ratio of 3.1.

On 28 December 2020, the Group acquired the land use rights of two land parcels (No. Dengzhengchu [2020]40 (net) and No. Dengzhengchu [2020]41 (net)) located at the southeast of the intersection of Shaolin Avenue and Yangcheng Road of Dengfeng City in online tendering (listing) for sale process held by Dengfeng Natural Resources and Planning Bureau for transfer of state-owned construction land use rights. The purchase price for the acquisition was RMB29.36 million. No. Dengzhengchu [2020]40 (net) and No. Dengzhengchu [2020]41 (net) land parcels have a site area of 8,249 sq.m. and 4,442 sq.m. respectively with a mandatory detailed planned plot ratio of 1.0.

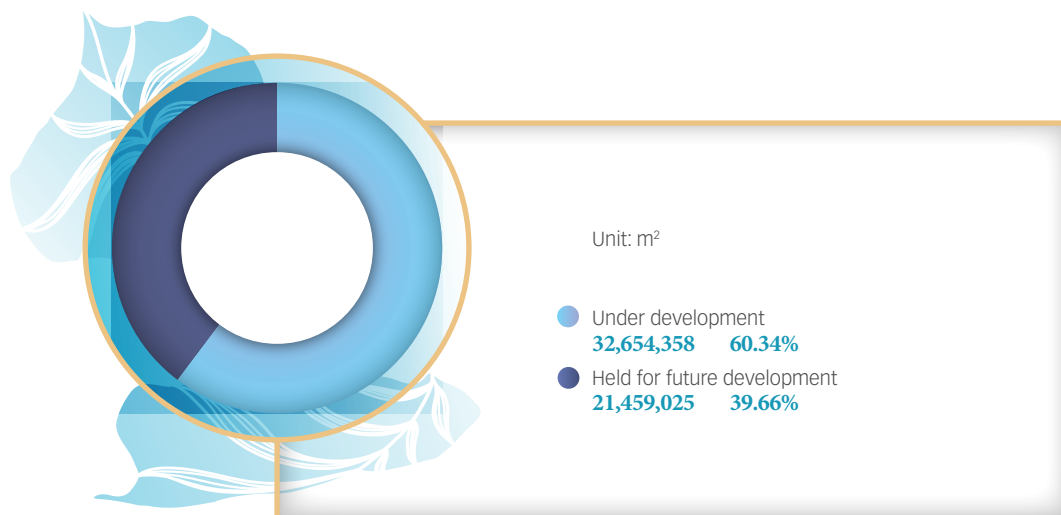
2. *Equity Cooperation*

As at 31 December 2020, the Group acquired 36, in aggregate, land parcels with a total site area of 2,106,714 sq.m. in Luoyang, Zhoukou, Zhumadian, Shangqiu, Anyang, Hebi, Puyang, Xuchang, Jiyuan, Xinxiang and other cities by way of equity cooperation.

3. *Distribution of Land Reserves*

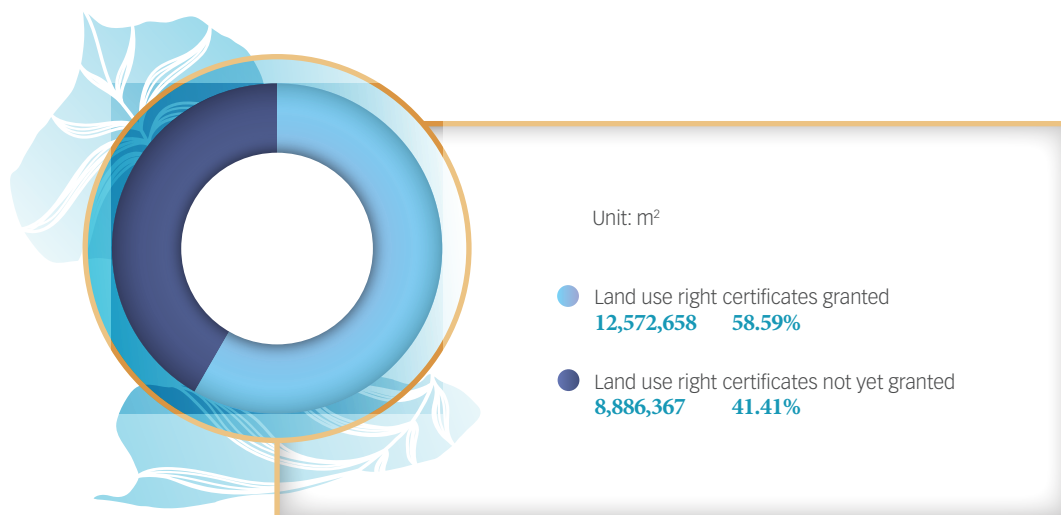
(1) *Distribution of the Company's land reserves by current development status*

As at 31 December 2020, the distribution of the Company's land reserves by current development status is set out in the table below:



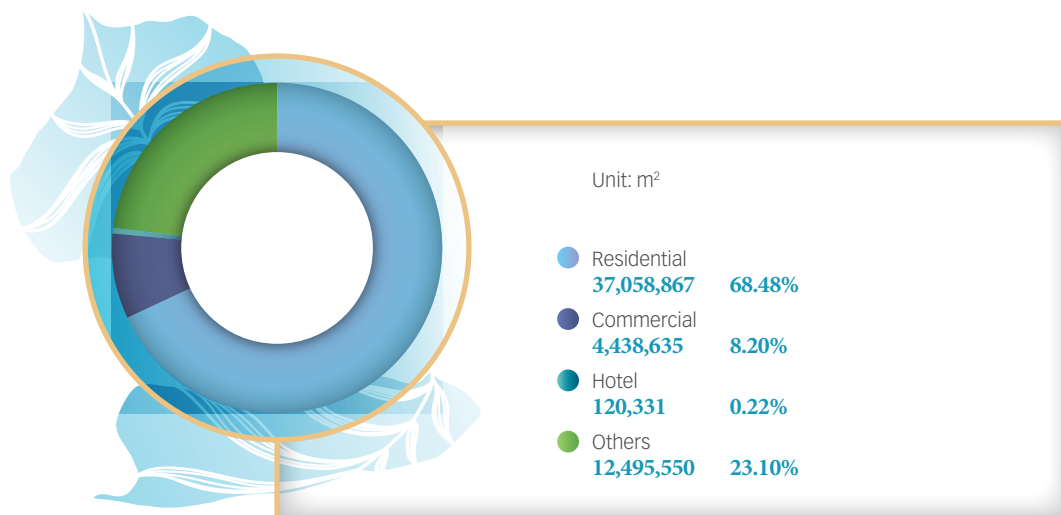
(2) *Distribution of the Company's land reserves by land use right certificates*

As at 31 December 2020, the distribution of the Company's land reserves by land use right certificates is set out in the table below:



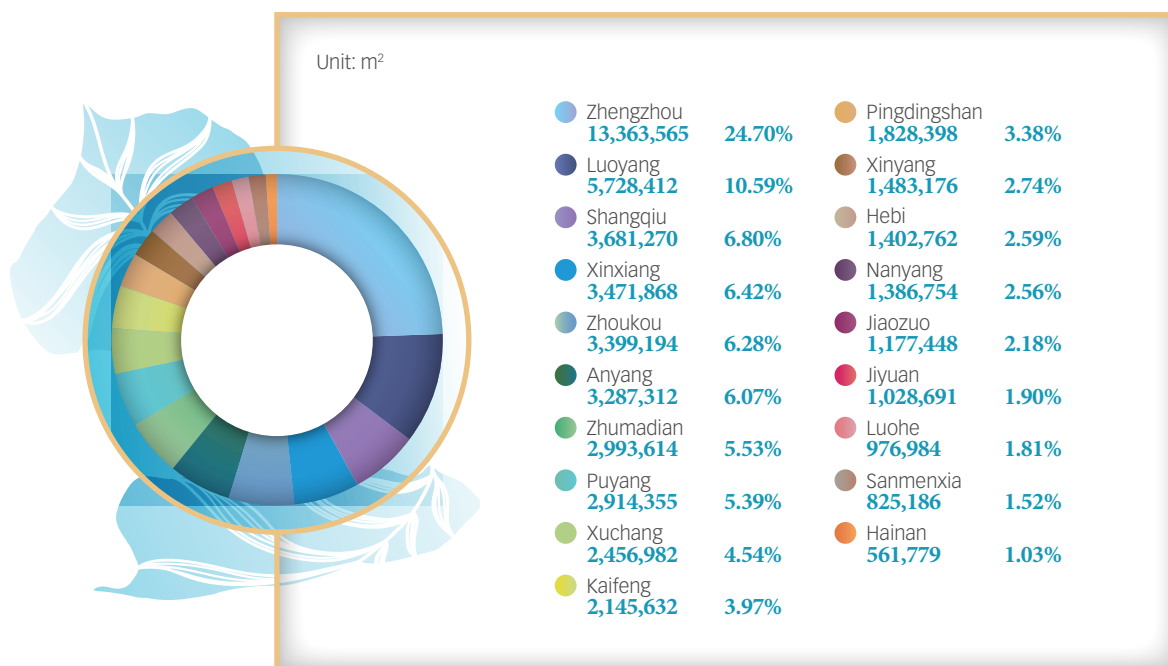
(3) *Distribution of the Company's land reserves by property types*

As at 31 December 2020, the distribution of the Company's land reserves by property types is set out in the table below:



(4) *Distribution of the Company's land reserves by cities*

As at 31 December 2020, the distribution of the Company's land reserves by cities is set out in the table below:



(IV) Product Research and Development

The Company always adheres to the general principles of serialisation, standardisation and commercialisation for product development, and has progressively achieved large-scale commercialisation on a concrete foundation of serialization and standardisation which the Company had laid for years. The Company always keeps developing highly competitive new products with customers' experience as an essence and conducts research and development and construction design for product with the main notion of achieving "Green, Low-carbon, Energy-saving and Technology". In addition, the Company has launched the innovative Junlin Grand Courtyard which was customized for different needs.

1. *Product Development and Serialisation, Standardisation and Commercialisation*

During the reporting period, the Company made greater efforts in new product innovation as well as research and development according to corporate strategy in addition to upgrading its existing products. It continued to refine and deepen the research of product serialisation and standardisation and conduct product innovation according to the market condition, with particular focus on changes in market demand and the new lifestyle of customers.

Through the research on the urbanization process, market trend and culture trend and considering the development characteristics of the Group, the Company has put forward the product concept of "creating products that best understand the people in Central China" and the "2 + 3 + X" product line. Based on its product line system, the Company constantly deepened and improved the serialization and standardization construction of architecture, landscape and decoration centering on product line and product adaptation. Meanwhile, the Company continuously refined the architectural design, and came out with products of living rooms with increased competitiveness through conducting research on customers' needs and by reference to changes in relevant design specifications in the industry.

During the reporting period, the Company continued to research and develop new product models, completed the research and development of a series of product models such as “New Urban Area Planning Model-Central China Urban Community” and six new characteristic residential product lines, enriched the Group’s product lines by relying on the new product system, and helped various regions to acquire land and expand and the Group’s strategic transformation, thus enhancing the Company’s brand premium.

The Company constantly optimised its “Platform for Product Standardisation, Design and Management” to regulate design and management procedures, compiling product data base and securing product quality by means of informatisation. Architectural design tools were constantly enriched by promoting the use of leading BIM technologies in the industry, and the accuracy of design was thus improved. Meanwhile, adhering to the development concept of “Green, Low-carbon, Energy-saving”, the Company incorporated the elements of green, health, technology and intelligence into product design to further show its meticulous care to customers.

Residential industrialization is conducive to improving the quality of residential projects, realizing energy conservation and emission reduction, and improving the living environment, which is an inevitable trend of residential construction and development. In 2020, the Group actively promoted the residential industrialization, and applied the construction technology of combination of vertical component cast-in-place, horizontal component prefabrication and internal partition prefabrication in the project. Try to introduce BIM management platform into Zhoukou Hill Water Lake City Project, get rid of the “fragmented” management path, break through the information and communication barriers among units, and promote the platform, standardization and normalization of project development process management. Introducing external experts to review from the whole process of design, production, transportation and construction provides technical support for Zhoukou Hill Water Lake City Project to become an assembly-type demonstration project in Henan Province. During the reporting period, the design area of the residential industrialization project was about 1.17 million sq.m., and the residential industrialization work was actively and steadily carried out.

2. *Customized Design*

With the increasing demand for residential quality, the traditional product design model can not fully satisfy the new demand of upgraded consumption.

Insisting on the core concept of “providing quality living standards for the people of Henan”, the Company launched the Junlin Grand Courtyard project based on customized design. The project took the customer needs as the starting point and achieved customization in ten aspects including the house type, building style, landscape design, supporting facilities, elevator configuration, decorative style, standard of house decoration, kitchenware, bathroom articles, and property services, so as to satisfy the needs of the people in the new era for better house, break the original development and design mode of real estate, and lead the residence product into the era of customization and personalization.

3. *Fully Decorated House*

Completed fully decorated houses: By leveraging the integrated strength of the Group and following the concept of “being a new lifestyle service provider”, the Company completed the design or cooperative work of implementation for projects of Zhengzhou Blossom GardenS1-5, Beilong Lake Junlin Grand Courtyard, and Shangqiu Sky Mansion, with a total design area of 326,500 sq.m.

New mode of finished houses: Zhengzhou Beilong Lake Junlin Grand Courtyard adopted the customized service mode, subverting the traditional batch factory production mode. It provided innovative, high-tech, and green personalized decoration services based on the personalized needs of the house owner, leading the customization fashion. Based on the comprehensive analysis and research on the characteristics of target customers and geographical features, the Company provided a variety of customized schemes from effect design, configuration standard to material selection. Customized decoration is a reform in decoration, bringing more comfortable, modern, and quality life for the owners!

Environmental Protection and Energy Conservation

To facilitate the development of green architecture business and promote low-carbon life culture, the Company has formulated the Green Architecture Measures of CCRE in accordance with the Evaluation Standards for Green Buildings and the Evaluation Standards for Green Buildings of Henan Province issued by the Ministry of Housing and Urban-Rural Development of PRC, and issued the Green Manifesto of CCRE in 2010. We earnestly implement green building development plans by gradually using power-saving LED lights, water-saving spray irrigation, rainwater collection system, air-source energy heat pump, geothermal heat pump and other tools and technologies, thereby comprehensively improving the effectiveness of environmental protection and energy conservation for our corporate property projects. In 2020, 51 projects with total GFA of 6,713,100 sq.m. have successively passed the National Green Building Certification, of which 31 projects were at basic level with GFA of 4,210,900 sq.m., 12 projects were rated as One Star Green Building with GFA of 1,674,500 sq.m., and 8 projects were rated as Two Stars Green Building with GFA of 827,700 sq.m..

Waste and Emission Reduction

The waste generated in the course of the Company's daily operation mainly includes construction waste, household trash and wastewater, and the emission of such waste always abides by national standards. For the disposal of waste, the Company always, pursuant to the requirements of relevant local authorities, conducts concentrated collection of construction and household waste and takes appropriate measures for recycling or disposal according to the waste category while household wastewater will undergo a precipitation process before discharged into municipal sewage network and the underground wastewater will be used for irrigation or be discharged into the municipal rainwater pipe network.

The Company fully understands that preventing waste from the source is essential for alleviating environmental pollution in the long run. To this end, the Company vigorously advances the industrialisation of property development and fully decorated houses in Henan Province by setting up exemplary construction sites in various projects concerning industrialisation of property development and fully decorated houses. The originally complex construction procedures are streamlined, changing the production processes by switching from distributive to concentrated interior design and centralizing the procurements and construction works performed, thereby reducing material consumption, waste emission, waste air and greenhouse gas emission and noise pollution, mitigating social total costs. Meanwhile, the Company has established an environmental impact assessment mechanism in accordance with state regulations to assess the environmental impacts regularly at all construction phases, and formulated the Emergency Response Measures to minimize the negative impact of construction projects on the surrounding environment. Next year, the Company will continue to step up its emission reduction initiatives and amend the waste management policy where needed in a bid to improve the effectiveness of waste reduction.

Product Responsibilities

Thanks to our rigorous product research and development and product safety supervision procedures, the Company's construction projects have reached the industry's highest standards in terms of applicability, safety and weight resistance. The Company has formulated its product research and development system and product management policy pursuant to state regulations and industry standards, providing detailed guidelines on product design, repair, maintenance, testing and inspection with a focus on planning and design, house configuration, product landing, material check and equipment testing in order to exercise all round supervision on the design, production and construction processes.

1. Design

According to regulatory plans, and taking into consideration of the market condition and its product lines, the Company designs projects in a scientific, reasonable and user-friendly way.

2. Approval

Project materials are improved and submitted to meet all the requirements under the regulations and policies of relevant government authorities in relation to project construction.

3. Before Construction

Construction drawings are reviewed by a professional third-party cooperative institution to ensure compliance with national and industry standards.

4. Material Examination

Suppliers of building materials are carefully chosen, and their certification files are strictly examined and are subject to a review by a professional third party.

5. During Construction

An external consultant is engaged to closely monitor project construction and progress.

6. Project Acceptance

Before completion, relevant projects will be checked by and filed with relevant government authorities.

To meet the expectations and needs of our customers, the Company will contact relevant customers to conduct opinion survey, making sure that the issued are completely solved. Meanwhile, the Company will also collect relevant cases to study and summarise, aiming to prevent similar issues from happening again and further improve the quality of our products and services..

(V) Customer Service and Customer Relations

In 2020, in the face of the sudden epidemic and the complex industry situation, the Company will concentrate its efforts, overcome difficulties, and take multiple measures simultaneously to enrich and innovate the “Jianye +” happiness ecosystem through its continuous effort to integrate internal and external quality resources and keep renewing itself, and created a new lifestyle and happiness for our customers by providing personalised, customised and differentiated services and products.

During the reporting period, the Company focused on the improvement of customer satisfaction, took “full estimation, dynamic planning, innovative work and flexible response” as the guiding principle, carried out “No delay in customer affairs—the 100-day action for special governance of customer complaints”, innovated and opened the President’s complaint hotline, regularly organized the general manager’s reception day, listened to the voice of property owners at zero distance, and quickly solved property owners’ problems; With the help of big data technology, the 400-961-7777 national customer service hotline was newly launched, and a high-quality service experience with high connection rate, high stability and interconnection was wholeheartedly created; Further refine the service and management standards, and promote the fine management of each work through the innovative preparation of “Guiding Manual for Improving Customer Satisfaction”, “Risk Pre-control Operation Manual”, “Risk Control and Correction Book for Sales Cases”, “Selected Collection of Improvement and Enhancement Cases” and “Customer Complaints Legal Risk Prevention and Control List”; Strengthen risk management, effectively avoid all kinds of risks by establishing 6-4-2-1 three-level early warning system, sorting out product risks in advance, sorting out and maintaining customers, organizing multi department joint inspection, establishing multi department contract countersignature system, and formulating “signing instructions”; At the same time, through the launch of the “Renewal Plan” and the “Renewal Life Festival”, we continued to carry out customer visits, Improvement and Enhancement campaign, construction site openings, and family banquets for thousands of people, so as to do a good job in customer care and interaction. Under the situation of continuous rights protection in the industry, the Group’s customer satisfaction remains stable in the ranks of excellent real estate enterprises!

BUSINESS OUTLOOK

1. The Macro-economic Landscape

2021 is the first year of the “14th Five-Year Plan”. It is expected that the central government will still take many measures to smooth the domestic circulation, which will lay a solid foundation for the formation of a new pattern of “double circulation”. At the same time, in order to support the development of the real economy and reduce the actual cost of social financing, the central government will continue to implement a prudent monetary policy, provide a more favorable financial environment, continuously consolidate the epidemic prevention and control and restore the development trend of economic stability, strive to keep the economic operation in a reasonable range, and continuously promote high-quality development. The establishment of a long-term management mechanism for real estate finance will continue to be accelerated, and financial supervision will continue to be strengthened to prevent and resolve systemic risks.

In 2021, it is expected that Henan Province will thoroughly implement the spirit of the Fifth Plenary Session of the 19th CPC Central Committee and the Central Economic Work Conference, adhere to the general tone of striving for stability, base itself on the new development stage, adhere to the new development concept, integrate into the new development pattern, consolidate and expand the achievements of epidemic prevention and control and economic and social development, do a solid job of “six stability”, fully implement the tasks of “six guarantees”, and promote the sustained and healthy economic and social development of the province.

2. Property Market Outlook

In 2021, under the new pattern of “double circulation”, the new urbanization will continue to deepen, the industry policy will be oriented towards stability, and the general tone of “housing is for accommodation, not for speculation” will remain unchanged. It is expected that the policy will still emphasize the long-term mechanism, and local governments will earnestly implement differentiated policies in light of different situations in different places to ensure the stable and healthy development of the real estate market. On the demand side, benefiting from the steady advancement of new urbanization and the comprehensive recovery of the economy, the sales area of commercial housing in the country is still expected to be at a high level; However, under the background of focusing on the development of the real economy, more emphasis will be placed on the precise orientation of money supply, and the credit environment of the real estate industry will be tightened, or the demand will be released more rationally. On the supply side, under the background of “three red lines”, with the further emergence of capital pressure and de-marketing pressure of housing enterprises, the overall new construction scale may continue the adjustment trend in 2020.

In 2021, under the general tone of the policy of “ housing is for accommodation, not for speculation”, Henan Province will adapt to local conditions and adopt multiple measures to promote the stable and healthy development of the real estate market. It is expected that Zhengzhou, the provincial capital, will further implement the talent policy, promote the flow of factors and strengthen government supervision, and the overall real estate market will be more open and transparent; Under the situation of maintaining the basic balance between supply and demand in the market, there will be a certain degree of market differentiation in various cities in our province.

1. Commencement Plan

In 2021, the Company plans to commence construction of 110 projects with a GFA of approximately 12,135,570 sq.m.

City	Project name	Principal use of property	GFA (sq.m.)
Zhengzhou	Zhengzhou Football Town	Residential	35,000
Zhengzhou	Zhengzhou Junlin Grand Courtyard-Songxuan	Residential	220,000
Zhengzhou	Zhengzhou Junlin Grand Courtyard	Residential	200,000
Zhengzhou	Zhengzhou Blossom Garden	Residential	120,000
Zhengzhou	Zhengzhou Chengyuan	Residential	270,000
Zhengzhou	Zhengzhou Baisha Project	Residential	43,000
Zhengzhou	Zhengzhou J18	Residential	233,082
Zhengzhou	Xinzheng Blue Ocean Zhengfeng	Residential	130,000
Zhengzhou	Riverside House	Residential	18,776
Zhengzhou	Dengfeng Songyue Mansion	Residential	50,000
Zhengzhou	Dengfeng Junlin Grand Courtyard	Residential	122,000
Zhengzhou	Project 1 to be acquired in Zhengzhou	Residential	126,998
Kaifeng	Tongxu Code One City	Residential	22,140
Kaifeng	Lankao CCRE Mall	Residential	46,391
Kaifeng	Kaifeng Taihe Mansion	Residential	66,892
Kaifeng	Project 1 to be acquired in Kaifeng	Residential	38,265
Kaifeng	Project 2 to be acquired in Kaifeng	Residential	38,265
Luoyang	Yichuan Dragon Mansion	Residential	52,100
Luoyang	Project to be acquired in Mengjin	Residential	61,429
Luoyang	Project to be acquired in Luoyang	Residential	80,000
Luoyang	Luoyang Huayang Fengdu	Residential	93,046
Luoyang	Luoyang Dingding Palace	Residential	236,904
Luoyang	Luoyang Dachengxiaoyuan	Residential	72,781
Luoyang	Project 2 to be acquired in Luoyang	Residential	170,879
Pingdingshan	Project to be acquired in Yexian	Residential	57,143
Pingdingshan	Wugang Forest Peninsula	Residential	78,972
Pingdingshan	Pingdingshan Pingxi Honour Mansion	Residential	15,392
Pingdingshan	Project 1 to be acquired in Pingdingshan	Residential	32,467
Pingdingshan	Project 2 to be acquired in Pingdingshan	Residential	71,429
Pingdingshan	Project to be acquired in Baofeng	Residential	57,143

City	Project name	Principal use of property	GFA (sq.m.)
Anyang	Linzhou Jianye City	Residential	177,621
Anyang	Huaxian Honour Mansion	Residential	159,438
Anyang	Anyang Yingbin North Garden	Residential	148,700
Anyang	Project to be acquired in Anyang	Residential	66,718
Anyang	Anyang Jianye City follow-up Land Lot	Residential	105,000
Hebi	Project to be acquired in Huaxian	Residential	70,000
Hebi	Project to be acquired in Hebi	Residential	59,267
Hebi	Hebi Longmen No.7 Courtyard	Residential	321,375
Hebi	Hebi Flower Creek Town	Residential	108,157
Xinxiang	Project to be acquired in Changyuan	Residential	84,000
Xinxiang	Xinxiang City Chemical Road Land Lot	Residential	189,132
Xinxiang	Project 1 to be acquired in Xinxiang	Residential	148,032
Xinxiang	Xinxiang Dongjing Mansion	Residential	110,748
Xinxiang	Project 2 to be acquired in Xinxiang (Xinfei Land Lot)	Residential	259,041
Jiaozuo	Project to be acquired in Wuzhi	Residential	101,201
Jiaozuo	Wuzhi Jianye Majestic Mansion	Residential	116,520
Jiaozuo	Mengzhou Jianye Mansion	Residential	70,731
Jiaozuo	Jiaozuo Jianye Mansion	Residential	234,657
Jiaozuo	Jiaozuo Hengshui Taihua Land Lot	Residential	216,992
Jiaozuo	Bo'ai Spring Time	Residential	52,265
Puyang	Taiqian Jianrun House	Residential	76,380
Puyang	Puyang Tonghe House follow-up Land Lot	Residential	64,800
Puyang	Puyang Longcheng	Residential	141,072
Puyang	Puyang Jindi Road Project	Residential	102,800
Puyang	Project to be acquired in Puyang	Residential	24,998
Xuchang	Changge Forest Peninsula follow-up Land Lot	Residential	53,017
Xuchang	Changge Forest Peninsula	Residential	47,138
Xuchang	Yanling Junlin Grand Courtyard	Residential	85,000
Xuchang	Xuchang Sunshine Cable	Residential	36,371
Xuchang	Project to be acquired in Xuchang	Residential	93,311
Luohe	Luohe Yanzhuang Project	Residential	90,351
Luohe	Luohe Wuli Temple Project	Residential	91,324
Luohe	Luohe Longhushuxiang Mansion	Residential	177,385
Luohe	Project 1 to be acquired in Luohe (Demonstration Zone)	Residential	81,009

City	Project name	Principal use of property	GFA (sq.m.)
Sanmenxia	Sanmenxia Honour Mansion	Residential	83,968
Sanmenxia	Project 2 to be acquired in Sanmenxia	Residential	57,143
Sanmenxia	Project 1 to be acquired in Sanmenxia	Residential	85,714
Sanmenxia	Yima Chinoiserie Palace	Residential	7,043
Shangqiu	Zhecheng Lianmeng Dongwang	Residential	127,285
Shangqiu	Yucheng Hill Water Lake City	Residential	66,070
Shangqiu	Project to be acquired in Yongcheng	Residential	153,061
Shangqiu	Xiayi Jianye City	Residential	270,191
Shangqiu	Shangqiu Future City	Residential	238,400
Shangqiu	Shangqiu Chinoiserie House	Residential	144,000
Shangqiu	Project to be acquired in Shangqiu	Residential	127,551
Shangqiu	Project to be acquired in Minquan	Residential	160,064
Zhoukou	Zhoukou Chinoiserie House follow-up Land Lot	Residential	121,269
Zhoukou	Zhoukou Hill Water Lake City	Residential	125,856
Zhoukou	Project to be acquired in Zhoukou	Residential	32,000
Zhoukou	Zhoukou Green House follow-up Land Lot	Residential	89,000
Zhoukou	Zhoukou Jianye City	Residential	195,187
Zhoukou	Huaiyang Binhe Courtyard	Residential	196,082
Zhoukou	Project to be acquired outside Henan	Residential	84,034
Zhumadian	Zhumadian Tianzhong Mansion	Residential	37,206
Zhumadian	Zhumadian Chinoiserie House	Residential	82,629
Zhumadian	The First Batch Land of Zhumadian Liuge Village	Residential	98,413
Zhumadian	Zhumadian Chinoiserie House follow-up Land Lot	Residential	74,286
Zhumadian	Xincal Jiankang Road Project	Residential	84,374
Zhumadian	Shangcai Jianye Mansion	Residential	61,950
Zhumadian	Project 1 to be acquired in Zhumadian (Xishan land parcel)	Residential	32,951
Nanyang	Nanyang Art Mansion	Residential	49,610
Nanyang	Project 4 to be acquired in Nanyang	Residential	92,857
Nanyang	Project 3 to be acquired in Nanyang	Residential	121,428
Nanyang	Project 2 to be acquired in Nanyang	Residential	122,857
Nanyang	Project 1 to be acquired in Nanyang	Residential	81,429
Nanyang	Nanyang Jianye Country Garden – Longyue City	Residential	61,918

City	Project name	Principal use of property	GFA (sq.m.)
Xinyang	Shangcheng Jianye Mansion	Residential	23,088
Xinyang	Project to be acquired in Xinyang	Residential	59,295
Xinyang	Luoshan Jianye Mansion	Residential	54,665
Xinyang	Xinyang Jianye City	Residential	12,268
Xinyang	Xinyang Mansion	Residential	29,267
Xinyang	Project to be acquired in Huangchuan	Residential	44,206
Xinyang	Project to be acquired in Gushi	Residential	42,391
Xinyang	Project 2 to be acquired in Xinyang (Gaoxin District)	Residential	67,549
Jiyuan	Jiyuan Chinoiserie Palace	Residential	103,342
Jiyuan	Project to be acquired in Jiyuan	Residential	283,494
Jiyuan	Project 2 to be acquired in Jiyuan	Residential	132,001
Jiyuan	Project 3 to be acquired in Jiyuan	Residential	40,476
Hainan	Chengmai Zhonghe Jiayuan	Residential	12,079
Other	Other	Residential	<u>1,040,578</u>
Total			<u><u>12,135,570</u></u>

2. *Delivery Plan*

In 2021, the Company plans to deliver 84 projects in total with a GFA of approximately 8,643,801 sq.m.

City	Project name	Principal use of property	GFA (sq.m.)
Zhengzhou	Zhengzhou Blossom Garden	Residential	33,224
Zhengzhou	Zhengzhou Chengyuan	Residential	221,231
Zhengzhou	Zhengzhou Art Mansion	Residential	260,957
Zhengzhou	Gongyi Spring Time	Residential	109,678
Zhengzhou	Zhengxi U-Town	Residential	231,191
Zhengzhou	Gongyi Spring Time	Residential	104,564
Zhengzhou	Xinmi Code One City	Residential	76,970
Zhengzhou	Zhengzhou Wulong Century New City-Fuju	Residential	238,142
Kaifeng	Tongxu Code One City	Residential	77,568
Kaifeng	Kaifeng Blossom Garden	Residential	34,584
Kaifeng	Qixian Blossom Garden	Residential	42,330
Luoyang	Luoyang Dingding Palace	Residential	135,828
Luoyang	Luoyang Technology City	Residential	123,300
Luoyang	Luoyang Longcheng Dongwang	Residential	72,241
Luoyang	Luanchuan Luanzhou Palace	Residential	81,683
Luoyang	Luoyang Honour Mansion	Residential	210,380
Luoyang	Luoyang Technology City	Residential	85,000
Luoyang	Luoyang Code Two City	Residential	147,700
Luoyang	Luoyang Dingding Palace	Residential	104,165
Pingdingshan	Wugang Forest Peninsula	Residential	31,234
Pingdingshan	Ruzhou Sweet-Scented Osmanthus Garden	Residential	54,266
Pingdingshan	Pingdingshan Eighteen Cities	Residential	57,279
Pingdingshan	Pingdingshan Spring Time	Residential	81,848
Pingdingshan	Wugang Forest Peninsula	Residential	23,580
Anyang	Anyang Code One City	Residential	175,956
Anyang	Anyang Chinoiserie Palace	Residential	196,047
Anyang	Anyang Jianye City	Residential	108,995
Anyang	Anyang Sweet-Scented Osmanthus Garden	Residential	126,598
Anyang	Hua County Code One City	Residential	251,800
Anyang	Tangyin Forest Peninsula	Residential	82,444

City	Project name	Principal use of property	GFA (sq.m.)
Xinxiang	Xinxiang U-Town	Residential	130,474
Xinxiang	Xinxiang Chinoiserie Palace	Residential	149,109
Xinxiang	Xinxiang Spring Time	Residential	87,066
Xinxiang	Changyuan Forest Peninsula Courtyard	Residential	145,085
Xinxiang	Hui County Spring Time	Residential	66,609
Xinxiang	Hui County Code One City	Residential	55,661
Xinxiang	Beverly Manor	Residential	195,189
Jiaozuo	Jiaozuo Central Garden	Residential	6,377
Jiaozuo	Jiaozuo Chinoiserie Palace	Residential	25,794
Jiaozuo	Jiaozuo Spring Time	Residential	56,325
Jiaozuo	Wen County Spring Time	Residential	60,646
Jiaozuo	Bo'ai Spring Time	Residential	34,223
Jiaozuo	Wuzhi Star Mall	Residential	97,192
Puyang	Puyang Tonghe House	Residential	64,000
Puyang	Puyang Code One City	Residential	48,400
Puyang	Puyang Zhenyuehui	Residential	214,029
Puyang	Puyang Jianye New City	Residential	163,368
Puyang	Puyang Chinoiserie Palace	Residential	201,296
Xuchang	Xuchang Chinoiserie Palace	Residential	143,835
Xuchang	Xuchang Pleasure Garden	Residential	34,213
Xuchang	Yuzhou Sweet-Scented Osmanthus Garden	Residential	75,600
Xuchang	Changge Forest Peninsula	Residential	14,688
Xuchang	Changge Sweet-Scented Osmanthus Garden New City	Residential	109,264
Luohe	Luohe Xicheng Forest Peninsula	Residential	11,473
Luohe	Luohe Sweet-Scented Osmanthus Garden	Residential	113,020
Sanmenxia	Sanmenxia New District Forest Peninsula	Residential	110,110
Shangqiu	Shangqiu Blossom Garden	Residential	105,800
Shangqiu	Shangqiu Sky Mansion	Residential	42,157
Shangqiu	Shangqiu Headquarter Port	Residential	153,300
Shangqiu	Shangqiu Central Garden	Residential	110,600
Zhoukou	Taikang Jianye City North Courtyard	Residential	47,448
Zhoukou	Huaiyang Jianye City	Residential	26,716
Zhoukou	Zhoukou Shiyue Mansion	Residential	189,152
Zhoukou	Xiangcheng Jianye City	Residential	74,674

City	Project name	Principal use of property	GFA (sq.m.)
Zhoukou	Zhoukou Forest Peninsula	Residential	57,588
Zhoukou	Shangshui Yangcheng Courtyard	Residential	27,349
Zhoukou	Zhoukou Dachengxiaoyuan	Residential	161,923
Zhoukou	Fugou Jianye New City	Residential	65,321
Zhoukou	Luyi Mingdao City	Commercial	17,524
Zhoukou	Luyi Jianye City	Residential	45,296
Zhumadian	Zhumadian Spring Time	Residential	252,483
Zhumadian	Xincai CCRE Mall	Residential	66,644
Zhumadian	Zhengyang Jianye City	Residential	51,298
Zhumadian	Runan Jianye City	Residential	137,287
Zhumadian	Xincai Sweet-Scented Osmanthus Garden	Residential	81,356
Zhumadian	Zhengyang Jianye City	Residential	31,430
Zhumadian	Zhumadian Eighteen Cities	Residential	136,441
Nanyang	Xixia Central Garden	Residential	94,446
Nanyang	Nanyang Central Garden	Residential	41,533
Xinyang	Xinyang Jianye City	Residential	126,004
Xinyang	Gushi Jianye City	Residential	62,622
Jiyuan	Jiyuan Blossom Garden	Residential	209,987
Jiyuan	Jiyuan Jianye City	Residential	199,668
Hainan	Danzhou Junlin Grand Courtyard	Residential	33,925
Total			<u>8,643,801</u>

Risk Management and Internal Monitoring

The Company clearly defines the authorisations and responsibilities of the Board, the Audit Committee, the management, the internal audit function and other units to ensure the establishment, implementation and effective assessment of risk management and internal control systems.

The Company's risk management and internal control systems aim to manage, but not eliminate, risks of failing to achieve business objectives, and make reasonable, but not absolute, guarantee that there is no material misstatement or loss only.

The Board has the responsibility to evaluate and determine the nature and extent of the risks it is willing to take in achieving the Company's strategic objectives, and to ensure the Company establishes and maintains appropriate and effective risk management and internal control systems on an ongoing basis. The Board also monitors the management regarding the design, implementation and supervision of the risk management and internal control systems.

Key risks, control measures and management actions are continually identified, reviewed and monitored by the management. The management has established a risk identification and management process. The risk assessment report is reported to the Audit Committee and the Board on a regular basis to highlight changes in the risk assessment, quantitative and qualitative factors affecting the inherent risks and effectiveness of mitigation measures on other risks.

A Three Lines of defence system for risk management and internal control has been put in place, namely frontline defence in business operation, functional centralised defence in internal control department, and the independent oversight defence in the internal audit department. In order to enhance our risk management and internal control, each department is accountable for its daily operations, and is required to conduct regular self-evaluation on internal control. And the internal control team is responsible to regularly carry out spot check and improvement on the internal control guidelines, issue report on the internal control as well as work out remedies for inadequacies identified during internal control and independent audit, which are inspected and followed up by the internal audit department regularly in order to ensure that relevant remedial actions are performed on a timely basis. Review findings have been reported to the Audit Committee for further follow-up actions.

The risk management systems of the Company are continually being monitored and refined by the Audit Committee and the Board. The Board has received assurance from the CEO and the management of the Company regarding the effectiveness of the risk management systems of the Company.

The Board performs the duty of reviewing the interim and annual results with the Audit Committee, the management of the Company, the internal audit function and external independent auditors in accordance with the procedures, and conducts a review and assessment on the effectiveness of the Company's risk management and internal control systems as well as procedures at least annually. The Board and the Audit Committee act pursuant to any opinion from the internal audit function and external auditors. They also reviewed the resources, qualifications and experience of staff of the Company's accounting, internal audit and financial reporting functions and their training programmes and budget and were satisfied with their adequacy. The Board believes that the existing risk management and internal control systems are adequate and effective for the year ended 31 December 2020.

EVENTS AFTER THE REPORTING PERIOD

Save as the disclosed in note 18 to the financial statements, there are no significant events subsequent to 31 December 2020 which would materially affect the Group's operating and financial performance as of the date of this report.

FINAL DIVIDEND

The Board resolved to recommend a final dividend of HK\$26.80 cents (equivalent to RMB22.65 cents) per share for the year ended 31 December 2020 (for the year ended 31 December 2019: HK\$31.00 cents).

HK\$11 cents per share (for the six months ended 30 June 2019: HK\$15.6 cents) was distributed as interim dividend for the six months ended 30 June 2020.

ANNUAL GENERAL MEETING

The 2021 AGM will be held on Wednesday, 12 May 2021 and the notice thereof will be published and despatched to the shareholders of the Company in a manner as required by the Listing Rules (the "Listing Rules") Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Stock Exchange").

CLOSURE OF REGISTER OF MEMBERS

For the purposes of determining shareholders' eligibility to attend and vote at the 2021 AGM, the register of members of the Company will be closed from Friday, 7 May 2021 to Wednesday, 12 May 2021 (both days inclusive), during which period no transfer of shares will be registered. All properly completed share transfer forms accompanied by the relevant share certificates must be lodged with the Company's Hong Kong branch share registrar, Computershare Hong Kong Investor Services Limited at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, no later than 4:30 p.m. on Thursday, 6 May 2021, for registration.

For the purposes of determining the entitlement to the proposed final dividend, the register of members of the Company will be closed on Monday, 17 May 2021, during which period no transfer of shares will be registered. All properly completed share transfer forms accompanied by the relevant share certificates must be lodged with the Company's Hong Kong branch share registrar, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, no later than 4:30 p.m. on Friday, 14 May 2021, for registration.

CORPORATE GOVERNANCE PRACTICES

The Company has always valued the superiority, steadiness and rationality of having a sound system of corporate governance and is committed to continuously improving its corporate governance and disclosure practices. For the year ended 31 December 2020, the Company complied with all code provisions and, where appropriate, adopted the recommended best practices set out in the Corporate Governance Code (the "Corporate Governance Code") in Appendix 14 to the Listing Rules with the exception of Code Provision E.1.2 as addressed below.

Code provision E.1.2 — This code provision requires the chairmen to invite the chairman of the audit, remuneration and nomination committees to attend the annual general meeting.

Mr. Wu Po Sum, an executive Director, Chairman of the Board and the chairman of the nomination committee, was unable to attend the 2020 AGM as he was out of town for other business.

Mr. Xin Luo Lin, an independent non-executive Director and the chairman of the remuneration committee of the Company, was unable to attend the 2020 AGM as he was out of town for other business.

In the absence of the chairman of the remuneration committee, Mr. Cheung Shek Lun, being a member of the Board, the remuneration committee and the nomination committee, attended the 2020 AGM and answered questions raised at the meeting.

DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix 10 to the Listing Rules as the code of conduct for the Directors in their dealings in the Company's securities. Having made specific enquires with each Director, the Company confirmed that all Directors had complied with the required standard as set out in the Model Code throughout the year ended 31 December 2020.

PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES OF THE COMPANY

On 16 January 2020, the Company issued US\$200 million 7.25% senior notes due 2024.

On 12 February 2020, the Company issued US\$300 million 6.875% senior notes due 2021.

On 15 June 2020, the Company issued US\$400 million 7.65% senior notes due 2023.

On 13 July 2020, the Company redeemed all of its outstanding US\$300 million 8.75% Senior Notes due 2021 issued on 14 April 2015.

On 13 August 2020, the Company issued US\$300 million 7.25% senior notes due 2024.

On 18 November 2020, the Company issued US\$300 million 7.75% senior notes due 2024.

All of the notes issued above are listed and traded on the Singapore Stock Exchange.

Save as disclosed above, neither the Company nor any of its subsidiaries and its joint ventures purchased, redeemed or sold any of the Company's listed securities during the year ended 31 December 2020.

AUDIT COMMITTEE

The audit committee of the Company has reviewed the Annual Results, including the accounting principles and practices adopted by the Group, and discussed auditing, risk management and internal control systems and financial reporting matters with the management as well as reviewed the audited consolidated financial statements for the year ended 31 December 2020.

SCOPE OF WORK OF KPMG

The financial figures in respect of the Group's consolidated statement of financial position, consolidated income statement, consolidated statement of comprehensive income and the related notes thereto for the year ended 31 December 2020 as set out in the preliminary announcement have been compared by the Group's auditor, KPMG, Certified Public Accountants, to the amounts set out in the Group's audited consolidated financial statements for the year and the amounts were found to be in agreement. The work performed by KPMG 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 auditor.

ANNUAL RESULTS ANNOUNCEMENT AND THE ANNUAL REPORT

This Annual Results announcement is published on the "HKExnews" website of the Stock Exchange at www.hkexnews.hk and the Company's website at www.jianye.com.cn. The Company's annual report for the year ended 31 December 2020 will be published on both websites and despatched to the shareholders of the Company in due course.

By Order of the Board
Central China Real Estate Limited
Wu Po Sum
Chairman

Hong Kong, 31 March 2021

For the purpose of this announcement, unless otherwise indicated, the conversion of RMB into HK\$ is based on the exchange rate of RMB1.00 = HK\$1.19. Such rate is for the purpose of illustration only and does not constitute a representation that any amount in RMB or HK\$ has been or could have been or may be converted at such or another rate or at all.

As at the date of this announcement, the Board comprises nine Directors, of which Mr. Wu Po Sum, Mr. Wang Jun and Mr. Yuan Xujun are executive Directors, Mr. Lim Ming Yan, Ms. Wu Wallis (alias Li Hua) and Ms. Chen Ying are non-executive Directors, Mr. Cheung Shek Lun, Mr. Xin Luo Lin and Dr. Sun Yuyang are independent non-executive Directors.

** For identification purposes only*