

*Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.*



**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 2021**

**FINANCIAL HIGHLIGHTS**

- For the year ended 31 December 2021, revenue was approximately RMB41,959 million, representing a decrease of approximately 3.1% as compared with 2020.
- Annual gross profit margin was 16.2%, representing a decrease of 3.7 percentage points as compared with 2020.
- The annual gross profit of core business was approximately RMB6,016 million, representing a decrease of approximately 17.8% as compared with 2020.
- Profit attributable to equity holders of the Company for the year was approximately RMB605 million, representing a decrease of approximately 66.4% as compared with 2020.
- Profit for the year was approximately RMB1,253 million, representing a decrease of approximately 40.4% as compared with 2020.
- The annual net profit margin was 3.0%, representing a decrease of 1.9 percentage points as compared with 2020.
- Basic earnings per share for the year were RMB21.21 cents, representing a decrease of approximately 67.2% as compared with 2020.
- The Board recommended a final dividend of HK\$2.70 cents (approximately RMB2.21 cents) per share.

## ANNUAL RESULTS

The Board announces the consolidated results (the “Annual Results”) of the Group for the year ended 31 December 2021 with comparative figures for the preceding financial year, as follows:

### CONSOLIDATED INCOME STATEMENT

*for the year ended 31 December 2021*

*(Expressed in Renminbi)*

		2021	2020
	Note	RMB'000	RMB'000
<b>Revenue</b>	2	<b>41,958,757</b>	43,304,417
Cost of sales		<u>(35,148,115)</u>	<u>(34,708,373)</u>
<b>Gross profit</b>		<b>6,810,642</b>	8,596,044
Other revenue	3	<b>211,644</b>	396,031
Other net income	3	<b>75,519</b>	649,894
Selling and marketing expenses		<b>(1,725,367)</b>	(1,870,867)
General and administrative expenses		<b>(1,602,454)</b>	(1,746,011)
Impairment losses on trade and other receivables and contract assets		<u><b>(226,523)</b></u>	<u>(273,493)</u>
		<b>3,543,461</b>	5,751,598
Finance costs	4(a)	<b>(668,735)</b>	(1,271,834)
Share of profits less losses of associates	7	<b>12,451</b>	25,030
Share of profits less losses of joint ventures	8	<u><b>148,061</b></u>	<u>337,117</u>
<b>Profit before change in fair value of investment property and income tax</b>		<b>3,035,238</b>	4,841,911
Net valuation gain on investment property		<u><b>311,619</b></u>	<u>93,356</u>
<b>Profit before taxation</b>	4	<b>3,346,857</b>	4,935,267
Income tax	5(a)	<u><b>(2,093,872)</b></u>	<u>(2,833,706)</u>
<b>Profit for the year</b>		<u><u><b>1,252,985</b></u></u>	<u><u>2,101,561</u></u>

		2021	2020
	<i>Note</i>	<b><i>RMB'000</i></b>	<i>RMB'000</i>
<b>Attributable to:</b>			
Equity shareholders of the Company		<b>604,914</b>	1,801,508
Non-controlling interests		<u><b>648,071</b></u>	<u>300,053</u>
<b>Profit for the year</b>		<u><b>1,252,985</b></u>	<u>2,101,561</u>
<b>Earnings per share</b>	<i>6</i>		
– Basic ( <i>RMB cents</i> )		<b>21.21</b>	64.70
– Diluted ( <i>RMB cents</i> )		<u><b>21.20</b></u>	<u>63.60</u>

# CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

for the year ended 31 December 2021

(Expressed in Renminbi)

	Note	2021 RMB'000	2020 RMB'000
<b>Profit for the year</b>		<b>1,252,985</b>	<b>2,101,561</b>
<b>Other comprehensive income for the year (after tax and reclassification adjustments)</b>			
<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)		<b>61,290</b>	(20,495)
<i>Items that may be reclassified subsequently to profit or loss:</i>			
Exchange differences on:			
– Translation of financial statements to the presentation currency		<b>66,533</b>	432,699
– Arising on a monetary item that forms part of net investment in foreign operations		<b>149,660</b>	322,766
<b>Other comprehensive income for the year</b>		<b>277,483</b>	<b>734,970</b>
<b>Total comprehensive income for the year</b>		<b>1,530,468</b>	<b>2,836,531</b>
<b>Attributable to:</b>			
Equity shareholders of the Company		<b>882,404</b>	2,536,522
Non-controlling interests		<b>648,064</b>	300,009
<b>Total comprehensive income for the year</b>		<b>1,530,468</b>	<b>2,836,531</b>

# CONSOLIDATED STATEMENT OF FINANCIAL POSITION

at 31 December 2021

(Expressed in Renminbi)

	Note	2021 RMB'000	2020 RMB'000
<b>Non-current assets</b>			
Property, plant and equipment		7,801,961	7,232,353
Investment property		5,074,100	4,080,100
Intangible assets and goodwill		1,110,223	1,045,660
Biological assets		11,368	218,001
Interests in associates	7	208,757	215,648
Interests in joint ventures	8	9,504,297	5,480,835
Other financial assets		672,049	567,409
Deferred tax assets		212,877	376,490
		<u>24,595,632</u>	<u>19,216,496</u>
<b>Current assets</b>			
Trading securities		53,647	62,059
Biological assets		9,547	42,400
Inventories and other contract costs	9	87,784,245	89,430,850
Contract assets		32,764	242,608
Trade and other receivables	10	5,703,023	5,160,062
Deposits and prepayments	11	14,183,252	17,583,158
Tax recoverable		3,596,734	2,836,267
Restricted bank deposits		3,946,166	6,707,913
Cash and cash equivalents		5,901,642	22,618,964
		<u>121,211,020</u>	<u>144,684,281</u>
<b>Current liabilities</b>			
Bank loans	12	(2,399,050)	(3,612,904)
Other loans	13	(1,201,760)	(1,443,900)
Trade and other payables	14	(54,740,364)	(50,728,425)
Contract liabilities		(52,361,021)	(63,298,581)
Corporate bonds		–	(2,999,970)
Senior notes		(3,160,096)	(7,201,463)
Lease liabilities		(96,356)	(130,096)
Taxation payable		(1,881,476)	(1,223,219)
		<u>(115,840,123)</u>	<u>(130,638,558)</u>
<b>Net current assets</b>		<u>5,370,897</u>	<u>14,045,723</u>
<b>Total assets less current liabilities</b>		<u>29,966,529</u>	<u>33,262,219</u>

		2021	2020
	<i>Note</i>	<i>RMB'000</i>	<i>RMB'000</i>
<b>Non-current liabilities</b>			
Bank loans	12	(2,550,565)	(1,888,125)
Other loans	13	(320,000)	(1,163,000)
Senior notes		(12,308,542)	(12,994,360)
Lease liabilities		(399,368)	(756,882)
Deferred tax liabilities		<u>(1,644,733)</u>	<u>(1,877,817)</u>
		<u>(17,223,208)</u>	<u>(18,680,184)</u>
<b>NET ASSETS</b>		<u><b>12,743,321</b></u>	<u><b>14,582,035</b></u>
<b>CAPITAL AND RESERVES</b>			
Share capital		260,118	258,195
Reserves		<u>9,082,259</u>	<u>11,118,459</u>
<b>Total equity attributable to equity shareholders of the Company</b>		<b>9,342,377</b>	11,376,654
<b>Non-controlling interests</b>		<u><b>3,400,944</b></u>	<u>3,205,381</u>
<b>TOTAL EQUITY</b>		<u><b>12,743,321</b></u>	<u><b>14,582,035</b></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 2021 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\$”).

During the year ended 31 December 2021, the Group experienced significant decrease in net cash generated from operating activities. As at 31 December 2021, the Group had net current assets of RMB5,371 million. However, significant current assets were development properties with a carrying amount of RMB87,410 million, which will not be recovered in full within one year. The Group had current loans and current senior notes of RMB6,761 million which will be due in 2022 and capital commitments of RMB89,173 million.

In view of these circumstances, the directors of the Company have given consideration to the future liquidity of the Group and its available sources of finance including banking facilities in assessing whether the Group will have sufficient financial resources to continue as a going concern. As at 31 December 2021, taking into account the Group’s cash flow projection, including the Group’s unutilised banking facilities and ability to renew or refinance the banking facilities upon maturity, the directors of the Company consider that the Group has sufficient working capital to meet in full its financial obligations as they fall due for at least the next twelve months from the end of the reporting period and there are no material uncertainties related to events or conditions which, individually or collectively, may cast significant doubt on the Group’s ability to continue as a going concern.

- (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;
  - 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 9, HKAS 39, HKFRS 7, HKFRS 4 and HKFRS 16, Interest rate benchmark reform – phase 2
- Amendment to HKFRS 16, Covid-19-related rent concessions beyond 30 June 2021

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 and hotel operations. 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:

	2021 <i>RMB'000</i>	2020 <i>RMB'000</i>
<b>Revenue from contracts with customers within the scope of HKFRS15</b>		
Disaggregated by major products or service lines		
– Sales of properties	40,708,548	41,606,820
– Revenue from hotel operations	285,529	265,866
– Revenue from project management service	575,056	1,120,782
– Others	186,983	172,547
	<u>41,756,116</u>	<u>43,166,015</u>
<b>Revenue from other sources</b>		
Rental income from investment properties		
– Lease payments that are fixed or depend on an index or a rate	146,336	94,899
– Variable lease payments that do not depend on an index or a rate	27,526	16,466
Rental income from properties for sale		
– Lease payments that are fixed or depend on an index or a rate	28,232	27,002
– Variable lease payments that do not depend on an index or a rate	547	35
	<u>202,641</u>	<u>138,402</u>
	<u><b>41,958,757</b></u>	<u><b>43,304,417</b></u>

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

	2021 <i>RMB'000</i>	2020 <i>RMB'000</i>
<b>Point in time</b>		
– Sales of properties	34,094,797	31,955,459
– Revenue from hotel operations	285,529	265,866
– Others	186,983	172,547
	<u>34,567,309</u>	<u>32,393,872</u>
<b>Over time</b>		
– Sales of properties	6,613,751	9,651,361
– Revenue from project management service	575,056	1,120,782
– Rental income from investment properties	173,862	111,365
– Rental income from properties for sale	28,779	27,037
	<u>7,391,448</u>	<u>10,910,545</u>
	<u><b>41,958,757</b></u>	<u><b>43,304,417</b></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**

– *Property development*

As at 31 December 2021, the aggregated amount of the transaction price allocated to the remaining performance obligations under the Group's existing contracts is RMB59,648,568,000 (2020: RMB73,621,918,000). This amount represents revenue expected to be recognised in the future from pre-completion sales contracts for properties under development 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 36 months.

– *Project management service*

As at 31 December 2021, the aggregated amount of the transaction price allocated to the remaining performance obligations under the Group's existing contracts is RMB63,059,000 (2020: RMB2,882,044,000). This amount represents revenue expected to be recognised in the future from project management service contracts retained by the Group after the separate listing of Central China Management Company Limited. The Group will recognise the expected revenue in future by measuring the progress towards complete satisfaction of the performance obligation, which is expected to occur over the next 48 months.

**(iii) Lease income**

The Group leases out its investment properties and certain completed properties held for sale under operating leases. The leases typically run for an initial period of one to ten years, with an option to renew the lease after that date at which time all terms are renegotiated. Certain leases include variable lease payment terms that are based on the revenue of tenants.

The Group's undiscounted lease income under non-cancellable operating leases in place at the reporting date will be receivable by the Group in future periods as follows:

	2021 <i>RMB'000</i>	2020 <i>RMB'000</i>
<b>Total future minimum lease income from:</b>		
Investment properties:		
Within 1 year	132,387	124,255
After 1 year but within 2 years	90,874	83,973
After 2 year but within 3 years	64,718	65,392
After 3 year but within 4 years	46,773	46,423
After 4 year but within 5 years	30,785	34,957
After 5 years	66,916	71,224
	<u>432,453</u>	<u>426,224</u>
Properties held for sale:		
Within 1 year	23,069	22,185
After 1 year but within 2 years	12,899	17,927
After 2 year but within 3 years	10,968	7,804
After 3 year but within 4 years	8,901	7,360
After 4 year but within 5 years	7,287	16,275
After 5 years	29,101	16,907
	<u>92,225</u>	<u>88,458</u>

For properties held for sale under operating leases, the directors confirm that the Group intends to sell the properties together with the respective leases.

**(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

	2021 <i>RMB'000</i>	2020 <i>RMB'000</i>
<b>Other revenue</b>		
Interest income	173,214	361,038
Dividend income from equity securities	10,934	4,533
Government grants	6,033	13,665
Others	21,463	16,795
	<u>211,644</u>	<u>396,031</u>
<b>Other net income</b>		
Net realised and unrealised (loss)/gain on financial assets measured at FVPL	(6,742)	17,195
Inventory write-down ( <i>note 9(a)</i> )	(978,849)	(591,269)
Changes in fair value of biological assets less cost to sell	(1,746)	(7,056)
Net gain/(loss) on disposals of property, plant and equipment	6,160	(2,436)
Net gain on disposals and deemed disposals of subsidiaries	964,985	129,539
Net fair value gain on deemed disposals of joint ventures	41,223	894,029
Net gain on disposal of joint ventures	–	18,450
Net fair value gain on deemed disposals of associates	–	8,399
Net gain on disposal of associates	4,325	6,820
Net exchange gain	94,331	293,966
Others	(48,168)	(117,743)
	<u>75,519</u>	<u>649,894</u>

#### 4 PROFIT BEFORE TAXATION

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

	2021 <i>RMB'000</i>	2020 <i>RMB'000</i>
<b>(a) Finance costs</b>		
Interest on bank loans and other borrowings	2,345,816	2,643,537
Interest on lease liabilities	32,168	43,998
Interest accrued on advance payments from customers	<u>1,984,269</u>	<u>2,525,418</u>
Total interest expense on financial liabilities not at fair value through profit or loss	4,362,253	5,212,953
Less: Borrowing costs capitalised into properties under development*	<u>(3,888,267)</u>	<u>(4,608,599)</u>
	<u>473,986</u>	<u>604,354</u>
Net change in fair value of derivatives		
– call options	28,093	54,518
– foreign exchange rate swap contract	33,820	72,701
– foreign exchange forward contracts and option contracts	<u>132,836</u>	<u>540,261</u>
	<u>194,749</u>	<u>667,480</u>
	<u><u>668,735</u></u>	<u><u>1,271,834</u></u>

*Note:*

\* The capitalisation rate used to capitalise interest on general borrowings in 2021 was 7.22% per annum (2020: 7.57% per annum).



	2021 <i>RMB'000</i>	2020 <i>RMB'000</i>
<b>(b) Staff costs</b>		
Contributions to defined contribution retirement plan	63,232	19,633
Equity settled share-based payment expenses	32,145	29,737
Salaries, wages and other benefits	<u>736,134</u>	<u>906,577</u>
	<u><b>831,511</b></u>	<u><b>955,947</b></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.

	2021 <i>RMB'000</i>	2020 <i>RMB'000</i>
<b>(c) Other items</b>		
Amortisation of intangible assets	<b>12,305</b>	–
Depreciation		
– owned property, plant and equipment	<b>229,558</b>	247,056
– right-of-use assets	<b>54,791</b>	58,819
	<b>284,349</b>	305,875
Impairment losses on trade and other receivables, and contract assets	<b>226,523</b>	273,493
Group auditor's remuneration		
– audit services	<b>6,350</b>	5,143
– other services	<b>5,170</b>	6,010
Local statutory auditors' remuneration		
– audit services	<b>3,380</b>	3,491
– other services	<b>900</b>	1,276
Cost of inventories ( <i>note 9(a)</i> )	<b>34,692,430</b>	34,286,152
Advertising and promotion expenses to football club	–	133,447
Rental income from investment properties less direct outgoings of RMB23,017,000 (2020: RMB14,842,000)	<b>(150,845)</b>	(96,523)
Rental income from properties for sale less direct outgoings of RMB12,174,000 (2020: RMB9,329,000)	<b>(16,605)</b>	(17,708)

## 5 INCOME TAX IN THE CONSOLIDATED INCOME STATEMENT

### (a) Taxation in the consolidated income statement represents:

	2021 <i>RMB'000</i>	2020 <i>RMB'000</i>
<b>Current tax</b>		
PRC Corporate Income Tax	1,299,550	1,837,260
PRC Land Appreciation Tax	965,422	802,497
Withholding tax	113,562	144,013
	<u>2,378,534</u>	<u>2,783,770</u>
<b>Deferred tax</b>		
PRC Corporate Income Tax	(200,160)	61,372
PRC Land Appreciation Tax	(84,502)	(11,436)
	<u>(284,662)</u>	<u>49,936</u>
	<u><u>2,093,872</u></u>	<u><u>2,833,706</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% (2020: 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:**

	2021 <i>RMB'000</i>	2020 <i>RMB'000</i>
Profit before taxation	<u>3,346,857</u>	<u>4,935,267</u>
Tax on profit before tax, calculated at 25% (2020: 25%)	836,714	1,233,817
Difference in tax rates for parent company and certain subsidiaries	95,218	216,989
Tax effect of non-taxable income	(197,678)	(306,389)
Tax effect of non-deductible expenses	393,402	719,273
Tax effect of unused tax losses not recognised	307,769	263,865
Utilisation of tax loss not recognised in prior years	(115,805)	(31,158)
Withholding tax	113,562	144,013
LAT	880,920	791,062
Tax effect of LAT	<u>(220,230)</u>	<u>(197,766)</u>
Income tax expense	<u>2,093,872</u>	<u>2,833,706</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 RMB604,914,000 (2020: RMB1,801,508,000) and the weighted average of 2,851,628,076 ordinary shares (2020: 2,784,521,906 ordinary shares) in issue during the year, calculated as follows:

Weighted average number of ordinary shares:

	2021	2020
Issued ordinary shares at 1 January	2,833,050,120	2,739,132,960
Effect of share options exercised	19,029,737	45,388,946
Effect of shares repurchased	<u>(451,781)</u>	<u>–</u>
Weighted average number of ordinary shares at 31 December	<u><u>2,851,628,076</u></u>	<u><u>2,784,521,906</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 RMB604,914,000 (2020: RMB1,801,508,000) and the weighted average number of ordinary shares of 2,853,411,813 shares (2020: 2,832,450,235 shares), calculated as follows:

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

	2021 RMB'000	2020 RMB'000
Profit attributable to equity shareholders (diluted)	<u><u>604,914</u></u>	<u><u>1,801,508</u></u>

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

	2021	2020
Weighted average number of ordinary shares at 31 December	2,851,628,076	2,784,521,906
Effect of deemed issue of ordinary shares under the Company's share option scheme and share award scheme	<u>1,783,737</u>	<u>47,928,329</u>
Weighted average number of ordinary shares (diluted) at 31 December	<u><u>2,853,411,813</u></u>	<u><u>2,832,450,235</u></u>

**7 INTERESTS IN ASSOCIATES**

	2021 RMB'000	2020 RMB'000
Share of net assets	160,200	156,043
Amounts due from associates	<u>48,557</u>	<u>59,605</u>
	<u><u>208,757</u></u>	<u><u>215,648</u></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.

**8 INTERESTS IN JOINT VENTURES**

	2021 RMB'000	2020 RMB'000
Share of net assets	2,700,666	1,821,366
Amounts due from joint ventures	<u>6,803,631</u>	<u>3,659,469</u>
	<u><u>9,504,297</u></u>	<u><u>5,480,835</u></u>

Amounts due from joint ventures included amount of RMB1,170,671,000 (2020: RMB1,210,396,000) 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.

## 9 INVENTORIES AND OTHER CONTRACT COSTS

	<i>Note</i>	<b>2021</b> <b><i>RMB'000</i></b>	2020 <i>RMB'000</i>
<b>Inventories</b>			
– Properties held for future development and under development for sale		<b>79,006,969</b>	82,552,774
– Completed properties held for sale		<b>8,402,943</b>	6,585,147
– Others		<b>50,247</b>	21,240
		<b>87,460,159</b>	89,159,161
<b>Other contract costs</b>	<i>(d)</i>	<b>324,086</b>	271,689
		<b>87,784,245</b>	89,430,850

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

	<b>2021</b> <b><i>RMB'000</i></b>	2020 <i>RMB'000</i>
Carrying amount of inventories sold	<b>34,692,430</b>	34,286,152
Write-down of inventories	<b>978,849</b>	591,269
	<b>35,671,279</b>	34,877,421

The amount of properties for future development and under development expected to be recovered after more than one year is RMB36,111,774,000 (2020: RMB48,240,682,000). 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:

	2021 <i>RMB'000</i>	2020 <i>RMB'000</i>
In the PRC, with remaining lease term of:		
– long leases (50 years or more)	38,133,995	38,589,634
– medium-term leases (between 10 and 50 years)	<u>3,672,001</u>	<u>9,647,408</u>
	<u><b>41,805,996</b></u>	<u><b>48,237,042</b></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 2021, the Group's properties for sale of RMB4,673,099,000 (2020: RMB5,774,503,000) were pledged as securities for joint ventures' loans.

(d) **Contract costs**

Contract costs capitalised as at 31 December 2021 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 RMB297,668,000 (2020: RMB362,330,000). There was no impairment in relation to the opening balance of capitalised costs or the costs capitalised during the year (2020: Nil).

The amount of capitalised contract costs that is expected to be recovered after more than one year is RMB154,781,000 (2020: RMB142,620,000).



## 10 TRADE AND OTHER RECEIVABLES

		2021	2020
	<i>Note</i>	<i>RMB'000</i>	<i>RMB'000</i>
Trade debtors and bills receivable,			
net of loss allowance	(a)	92,142	216,702
Other debtors	(b)	1,893,364	1,684,228
Amounts due from joint ventures	(c)	173,192	222,526
Amounts due from associations	(c)	4,021	5,920
Amounts due from entities controlled by the ultimate			
controlling shareholder	(c)	112,242	102,563
Amounts due from entities jointly controlled by a			
close family member of the ultimate controlling			
shareholder	(c)	4,578	2,607
Amounts due from non-controlling interests	(d)	3,405,521	2,890,330
Financial assets measured at amortised cost		5,685,060	5,124,876
Derivative financial instruments:			
– redemption call options embedded in			
senior notes		17,963	35,186
		17,963	35,186
		5,703,023	5,160,062

(a) **Aging analysis**

The aging 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:

	2021 <i>RMB'000</i>	2020 <i>RMB'000</i>
Within 3 months	56,302	151,005
3 to 6 months	20,363	35,557
6 to 12 months	11,827	21,259
Over 1 year	3,650	8,881
	<u>92,142</u>	<u>216,702</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 balances was accrued because 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 amounts in relation to the lease, hotel and other miscellaneous services provided by the Group, which are 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 amount of derivative financial instruments in trade and other receivables expected to be recovered or recognised as expense after more than one year is RMB16,518,000 (2020: RMB32,166,000). 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 2021, the balance included deposits and prepayments for leasehold land of RMB11,502,378,000 (2020: RMB14,392,292,000) and prepaid value-added tax and related surcharges of RMB1,175,814,000 (2020: RMB1,404,935,000), which are expected to be recovered or recognised as cost of sales or expenses in the consolidated income statement.

## 12 BANK LOANS

At 31 December 2021, the bank loans were repayable as follows:

	2021 <i>RMB'000</i>	2020 <i>RMB'000</i>
Within 1 year or on demand	<u>2,399,050</u>	<u>3,612,904</u>
After 1 year but within 2 years	1,077,560	751,655
After 2 years but within 5 years	1,314,005	889,375
After 5 years	<u>159,000</u>	<u>247,095</u>
	<u>2,550,565</u>	<u>1,888,125</u>
	<u>4,949,615</u>	<u>5,501,029</u>

At 31 December 2021, the bank loans were secured as follows:

	2021 <i>RMB'000</i>	2020 <i>RMB'000</i>
Bank loans		
– secured	4,910,615	4,620,658
– unsecured	<u>39,000</u>	<u>880,371</u>
	<u><b>4,949,615</b></u>	<u><b>5,501,029</b></u>

At 31 December 2021, the secured bank loans are secured over equity interest in subsidiaries of the Group and other assets of the Group as follows:

	2021 <i>RMB'000</i>	2020 <i>RMB'000</i>
Properties for sale	5,313,645	5,587,034
Property, plant and equipment	781,856	777,786
Investment property	–	509,000
Restricted bank deposits	<u>–</u>	<u>395,866</u>
	<u><b>6,095,501</b></u>	<u><b>7,269,686</b></u>

The effective interest rates of bank loans of the Group at 31 December 2021 were ranged from 4.5% - 8.6% (2020: 2.8% - 9.3%) 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.

### 13 OTHER LOANS

At 31 December 2021, other loans represented loans from external financial institutions and were repayable as follows:

	2021 <i>RMB'000</i>	2020 <i>RMB'000</i>
Within 1 year	1,201,760	1,443,900
After 1 year but within 2 years	319,000	1,163,000
After 2 years but within 5 years	1,000	–
	<u>1,521,760</u>	<u>2,606,900</u>

At 31 December 2021, the other loans were secured as follows:

	2021 <i>RMB'000</i>	2020 <i>RMB'000</i>
Other loans		
– secured	1,407,700	1,877,901
– unsecured	114,060	728,999
	<u>1,521,760</u>	<u>2,606,900</u>

The effective interest rates of other loans of the Group at 31 December 2021 were ranged from 8.9% - 10.5% (2020: 5.8% - 16.0%) per annum.

At 31 December 2021, the secured other loans are secured over assets of subsidiaries of the Group as follows:

	2021 <i>RMB'000</i>	2020 <i>RMB'000</i>
Properties for sale	2,536,217	3,990,655
Property, plant and equipment	324,877	–
	<u>2,861,094</u>	<u>3,990,655</u>

## 14 TRADE AND OTHER PAYABLES

		2021	2020
	<i>Note</i>	<i>RMB'000</i>	<i>RMB'000</i>
Trade creditors and bills payable	(a)	32,832,477	29,186,718
Other creditors and accrued charges		6,501,449	5,740,703
Amounts due to joint ventures	(b)	5,926,640	5,713,558
Amounts due to associates	(b)	146,532	191,441
Amounts due to entities controlled by the ultimate controlling shareholder	(c)	1,345,035	1,074,120
Amounts due to non-controlling interests	(d)	4,668,657	4,720,541
Financial liabilities measured at amortised cost		51,420,790	46,627,081
Other tax payables		3,319,574	3,622,450
Derivative financial instruments:			
– foreign exchange rate swap contract		–	77,473
– foreign exchange forward contracts and option contracts	(e)	–	401,421
		<u>54,740,364</u>	<u>50,728,425</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:

	2021	2020
	<i>RMB'000</i>	<i>RMB'000</i>
Within 3 months	17,420,384	21,406,358
3-6 months	4,777,432	3,347,934
6-12 months	5,851,222	1,348,088
Over 12 months	4,783,439	3,084,338
	<u>32,832,477</u>	<u>29,186,718</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 are interest-free, unsecured and to be settled according to the contract terms, mainly including amounts due to Central China New Life together with its subsidiaries amounting to RMB1,006,233,000 (2020: RMB763,677,000) and due to Drawin Intelligent Manufacture together with its subsidiaries amounting to RMB336,197,000 (2020: RMB112,722,000) for receiving services from these entities. Amount due to Jiayao Global Investments Limited (“Jiayao Global”) has been settled in 2021 (2020: RMB197,721,000).
- (d) Amounts due to non-controlling interests are interest-free, unsecured and have no fixed terms of payment except amount of 180,043,000 (2020: RMB80,243,000) which are interest-bearing at 12%-14% (2020: 12%) per annum.
- (e) The Company entered into foreign exchange forward contracts and option contracts to manage its exposure of currency risk. During the year ended 31 December 2021, all foreign exchange forward contracts and option contracts were settled, with fair value change loss of RMB132,836,000 recognised in profit or loss (2020: RMB540,261,000).
- (f) All trade and other payables are expected to be settled within one year except for the retention payable of RMB129,459,000 (2020: RMB113,795,000) which is expected to be settled after more than one year.

## 15 DIVIDENDS

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

	2021 <i>RMB'000</i>	2020 <i>RMB'000</i>
Interim dividend declared and paid of HK\$14.75 cents (equivalent to RMB12.27 cents) per ordinary share (2020: HK\$11.0 cents)	364,168	279,157
Final dividend proposed after the end of the reporting period of HK\$2.70 cents (equivalent to RMB2.21 cents) per ordinary share (2020: HK\$26.80 cents)	<u>65,433</u>	<u>668,979</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**

	2021 <i>RMB'000</i>	2020 <i>RMB'000</i>
Final dividend in respect of the previous financial year, approved and paid during the year, of HK\$26.80 cents (equivalent to RMB22.65 cents) per ordinary share (2020: HK\$30.1 cents)	<b><u>663,039</u></b>	<b><u>779,430</u></b>

## 16 COMMITMENTS

- (a) Capital commitments outstanding at 31 December 2021 not provided for in the financial statements are as follows:

	2021 <i>RMB'000</i>	2020 <i>RMB'000</i>
Capital commitments for property development		
– Authorised but not contracted for	<b>71,140,158</b>	49,438,965
– Contracted but not provided for	<b><u>18,032,775</u></b>	<u>37,088,271</u>
	<b><u>89,172,933</u></b>	<b><u>86,527,236</u></b>



## 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 2021 is as follows:

	2021 <i>RMB'000</i>	2020 <i>RMB'000</i>
Guarantees given to banks for mortgage facilities granted to buyers of:		
– the Group's properties	53,297,798	43,090,654
– the joint ventures' properties (the Group's shared portion)	<u>3,248,579</u>	<u>5,131,020</u>
	<u><u>56,546,377</u></u>	<u><u>48,221,674</u></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 RMB6,521,705,000 at 31 December 2021 (2020: RMB8,332,487,000). 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 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”) respectively, 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 2021, income from the above financial guarantee of RMB12,713,000 was recognised in the consolidated income statement (2020: RMB16,795,000).

**18 NON-ADJUSTING EVENTS AFTER THE REPORTING PERIOD**

After the end of the reporting period, the directors proposed a final dividend. Further details are disclosed in note 15(i).

## FINANCIAL HIGHLIGHTS

### SUMMARY OF INCOME STATEMENT

*For the period ended 31 December*

	2021	2020	Changes
Revenue ( <i>RMB'000</i> )	<b>41,958,757</b>	43,304,417	-3.1%
Gross profit ( <i>RMB'000</i> )	<b>6,810,642</b>	8,596,044	-20.8%
Gross profit margin	<b>16.2%</b>	19.9%	-3.7*
Gross profit from core businesses ( <i>RMB'000</i> )	<b>6,016,118</b>	7,320,668	-17.8%
Gross profit margin from core businesses	<b>14.8%</b>	17.6%	-2.8*
Net profit ( <i>RMB'000</i> )	<b>1,252,985</b>	2,101,561	-40.4%
Net profit margin	<b>3.0%</b>	4.9%	-1.9*
Profit attributable to equity shareholders ( <i>RMB'000</i> )	<b>604,914</b>	1,801,508	-66.4%
Basic earnings per share ( <i>RMB</i> )	<b>0.2121</b>	0.6470	-67.2%
Diluted earnings per share ( <i>RMB</i> )	<b>0.2120</b>	0.6360	-66.7%
Final dividends per share ( <i>HK\$</i> )	<b>0.0270</b>	0.2680	-89.9%

## SUMMARY OF STATEMENT OF FINANCIAL POSITION

As at 31 December

	2021	2020	Changes
Total cash (including cash and cash equivalents and restricted bank deposits) (RMB'000)	<b>9,847,808</b>	29,326,877	-66.4%
Total assets (RMB'000)	<b>145,806,652</b>	163,900,777	-11.0%
Total liabilities (RMB'000)	<b>133,063,331</b>	149,318,742	-10.9%
Total equity (including non-controlling interests) (RMB'000)	<b>12,743,321</b>	14,582,035	-12.6%
Total borrowings (RMB'000)	<b>21,940,013</b>	31,303,722	-29.9%
Net borrowings (RMB'000)	<b>12,092,205</b>	1,976,845	511.7%
Current ratio <sup>(1)</sup>	<b>104.6%</b>	110.8%	-6.2*
Liabilities to asset ratio (excluding receipts in advance) #	<b>86.4%</b>	85.5%	0.9*
Net gearing ratio <sup>(2)#</sup>	<b>94.9%</b>	13.6%	81.3*
Cash to short-term debt ratio#	<b>1.46</b>	1.92	-24.0%
Net asset value per share (RMB) <sup>(3)</sup>	<b>4.30</b>	5.15	-16.5%
Equity attributable to equity shareholders (RMB) <sup>(3)</sup>	<b>3.15</b>	4.02	-21.6%

Notes: \* Change in percentage points

# Three Red Lines Indicators

- (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 43 to 44.
- (3) Calculated based on 2,964,116,120 shares issued and fully paid as at 31 December 2021. (31 December 2020: 2,833,050,120 shares, being 2,941,050,120 shares issued and fully paid less 108,000,000 restricted shares held for share award schemes.)

## **MANAGEMENT DISCUSSION AND ANALYSIS**

### **FINANCIAL REVIEW**

#### **Overall performance**

The Company is hereby to announce that the contract sales of heavy assets amounted to RMB60,105 million in 2021, representing a year-on-year decrease of approximately 12.0%. The cash and cash equivalents and restricted bank deposits of the Company in total amounted to approximately RMB9,848 million as at 31 December 2021.

As at 31 December 2021, net borrowings in total amounted to approximately RMB12,092 million with net gearing ratio of approximately 94.9%. The Company has persisted in adhering to a prudent principle in financial management, thus maintaining a reasonable proportion of cash and 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 79 in 2021, an increase of 10 projects as compared with 2020. Furthermore, the Company owned 194 projects under development as at 31 December 2021, an increase of 14 projects as compared with 2020. However, due to 1) the spin-off of the project management services provided by the Group for light asset projects on 31 May 2021 resulted in a decrease in revenue; 2) the impact of the epidemic, floods in the second half of the year and macro-control of the industry in Henan's property market, the overall market demand throughout the year has declined, and the GFA recognised has decreased, resulting in a decrease in the annual revenue recognised in 2021; and 3) the increase of inventory write-downs in light of market conditions. As a result, the profit attributable to equity holders of the Company in 2021 was approximately RMB605 million, representing a year-on-year decrease of approximately 66.4%.

As of 31 December 2021, the contract sales of properties of the Company that were not recognised were approximately RMB59,649 million with corresponding gross profit of approximately RMB8,856 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 RMB14,496 million with corresponding gross profit of approximately RMB2,087 million.

In addition to property sales, the Company has been developing hotels, cultural tourism and green houses, 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 houses, which will enable it to offer "personalised" services to its customers.

**Revenue:** Our revenue decreased by 3.1% to approximately RMB41,959 million in 2021 from approximately RMB43,304 million in 2020, primarily due to 1) the decline in the overall market demand in Henan property market throughout the year as a result of the epidemic, the flooding in the second half of the year and the macro-control of the industry, which resulted in a decrease in the GFA recognised; and 2) the spin-off of project management services provided by the Group for light asset projects on 31 May 2021 resulted in a decrease in revenue.

- **Income from sales of properties:** Revenue from property sales decreased by 2.2% to approximately RMB40,709 million in 2021 from approximately RMB41,607 million in 2020. Benefiting from the improvement of the epidemic in early 2021 and the Group's sales strategy, the GFA recognised in the first half of 2021 was 2,663,000 sq.m., representing an increase of 49.4% from 1,783,000 sq.m. in the same period of 2020. However, due to the impact of the recurring epidemic, flooding and industry macro-control in the second half of the year, the GFA recognised in the second half of 2021 was 3,046,000 sq.m., representing a decrease of 29.6% from 4,326,000 sq.m. in the same period of 2020, so the annual GFA recognised decreased by 6.5% from approximately 6,109,000 sq.m. in 2020 to approximately 5,709,000 sq.m. in 2021. The average selling price (excluding basement parking spaces) increased by 5.9% from RMB6,473 per sq.m. in 2020 to RMB6,856 per sq.m. in 2021, narrowing the decline in revenue from property sales.

- **Rental income:** Revenue from property leasing increased by 46.4% to approximately RMB203 million in 2021 from approximately RMB138 million in 2020, which was mainly due to the additional shopping malls and commercial buildings in 2021.
- **Revenue from hotel operation:** Revenue from hotel operation increased by 7.4% to approximately RMB286 million in 2021 from approximately RMB266 million in 2020, which was primarily due to the rising hotel occupancy rates and dining demand, driven by the full resumption of the tourism in Henan Province from the epidemic last year.
- **Revenue from provision of project management service:** Revenue from provision of project management service decreased by 48.7% to approximately RMB575 million in 2021 from approximately RMB1,121 million in 2020 which was derived from operation and management services provided by the Group under light-asset projects. This revenue in 2021 was mainly contributed by Central China Management Company Limited (“Zhongyuan Jianye”) for the five months prior to the spin-off on 31 May 2021 (approximately RMB554 million). Central China Management Company Limited (stock code: 9982.HK) was listed separately on the Main Board of The Stock Exchange of Hong Kong Limited on 31 May 2021. After the spin-off, the Group ceased to operate light asset project management services and receive income from project management services with the exception of one project, resulting in a decrease in this income.

**Cost of sales:** Our cost of sales increased by 1.3% to approximately RMB35,148 million in 2021 from approximately RMB34,708 million in 2020. Although the reduction in the GFA recognised resulted in a partial reduction in cost of sales, due to the fact that some of the projects are located in core urban locations or in core locations where land costs are higher, the cost of sales for projects recognised this year has increased.

**Gross profit:** The Company's gross profit decreased by 20.8% to approximately RMB6,811 million in 2021 from approximately RMB8,596 million in 2020, while our gross profit margin decreased by 3.7 percentage points from 19.9% in 2020 to 16.2% in 2021. It was principally because that: 1) the Company adopted a destocking strategy in some cities in the year to stimulate sales of various projects and thus narrowed the range of overall sales markup; and 2) property projects sold at discount during the outbreak of the epidemic in 2020 were delivered and recognised during 2021, which resulted in a decrease of the gross profit margin of overall sales of properties from 17.6% in 2020 to 14.8% in 2021.

**Other revenue:** Other revenue decreased by 46.6% to approximately RMB212 million in 2021 from approximately RMB396 million in 2020. This was primarily due to the decrease in interest income.

**Other net income:** Other net income decreased by 88.4% to approximately RMB76 million in 2021 from approximately RMB650 million in 2020. This was primarily due to an increase of approximately RMB388 million in inventory write-downs and a decrease of approximately RMB200 million in net foreign exchange gains for the year.

**Selling and marketing expenses:** Our selling and marketing expenses decreased by 7.8% to approximately RMB1,725 million in 2021 from approximately RMB1,871 million in 2020. This was mainly due to the fact that the Company did not make any title sponsorship for the promotion of the football business in 2021, resulting in a decrease of approximately RMB133 million in the promotional expenses for the sports business. The rate for the selling and marketing expenses to revenue decreased from approximately 4.3% in 2020 to approximately 4.1% in 2021, representing a decrease of 0.2 percentage points.

**General and administrative expenses:** Our general and administrative expenses decreased by 8.2% to approximately RMB1,602 million in 2021 from approximately RMB1,746 million in 2020. It was mainly due to the decrease in staff costs by approximately RMB165 million, which was offset by an increase in legal and professional service fees by approximately RMB12 million and an increase in other miscellaneous expenses by approximately RMB17 million. The rate for the general and administrative expenses to revenue decreased from approximately 4.0% in 2020 to approximately 3.8% in 2021, representing a decrease of 0.2 percentage points.



**Impairment losses on trade and other receivables and contract assets:** Impairment losses on trade and other receivables and contract assets decreased by 17.2% to approximately RMB227 million in 2021 from approximately RMB273 million in 2020, which was mainly because the balance of other receivables at the end of the year is mostly regarded as the credit risk has not increased significantly, so the provision for expected credit losses decreased as compared with last year.

**Finance costs:** Our finance costs decreased by 47.4% to approximately RMB669 million in 2021 from approximately RMB1,272 million in 2020, mainly due to 1) narrowed fluctuations in the exchange rate of RMB against the US dollar in 2021, resulting in the reduced loss from changes in fair value of derivative financial instruments including forward foreign exchange contracts, foreign exchange options and foreign exchange swap contracts from approximately RMB613 million in 2020 to approximately RMB167 million in 2021; and 2) the decrease in borrowing interest expenses by approximately RMB130 million.

**Share of profits less losses of associates:** Our share of profits of associates decreased from approximately RMB25 million in 2020 to approximately RMB12 million in 2021, representing a decrease of 50.3%, primarily because the revenue recognised for some associates has decreased as the conditions for recognising revenue was not met.

**Share of profits less losses of joint ventures:** Our share of profits of joint ventures decreased by 56.1% to approximately RMB148 million in 2021 from approximately RMB337 million in 2020, primarily because the revenue recognised for some joint ventures has decreased as the conditions for recognising revenue was not met.

**Net valuation gain on investment property:** A net valuation gain of approximately RMB312 million on the Company's investment properties for 2021 was recorded, which was mainly because the operation of the appraised properties in 2021 improved in light of the gradually eliminating impact of the epidemic from 2020 and there was an overall gain on investment properties after revaluation.

**Income tax:** Income tax mainly comprises corporate income tax and land appreciation tax. The Company's income tax decreased by 26.1% to approximately RMB2,094 million in 2021 from approximately RMB2,834 million in 2020, which was mainly due to the decrease in the income from property sales recognised in 2021, resulting in a corresponding decrease in income tax.

**Profit for the year:** As a result of the foregoing, our profit decreased by 40.4% to approximately RMB1,253 million in 2021 from approximately RMB2,102 million in 2020.

**Goodwill:** The balance was arising from the premium on additional acquisition of 10% equity interests of Henan Central China Fujin Investment Company Limited (河南建業富居投資有限公司), a former joint venture of the Company, and the Company obtained control of the acquiree thereafter. At 31 December 2021, the Company has conducted an impairment review, and no impairment is required.

**Financial resources and their utilisation:** As at 31 December 2021, the Company's cash and cash equivalents amounted to approximately RMB5,902 million (31 December 2020: approximately RMB22,619 million). The Company has declared an interim dividend of approximately RMB364 million during the year and announced a proposal to distribute a final dividend of approximately RMB65 million to the shareholders of the Company in relation to profit attributable to the year ended 31 December 2021 (2020: approximately RMB669 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 3 senior notes with a total principal amount of US\$460 million. As at 31 December 2021, the repayment schedule of the Company's bank loans and other borrowing was as follows:

	As at 31 December 2021 <i>RMB'000</i>	As at 31 December 2020 <i>RMB'000</i>
<b>Repayment Schedule</b>		
<b>Bank loans</b>		
Within one year	2,399,050	3,612,904
More than one year, but not exceeding two years	1,077,560	751,655
More than two years, but not exceeding five years	1,314,005	889,375
Exceeding five years	159,000	247,095
	<b>4,949,615</b>	<b>5,501,029</b>
<b>Other loans</b>		
Within one year	1,201,760	1,443,900
More than one year, but not exceeding two years	319,000	1,163,000
More than two years, but not exceeding five years	1,000	–
	<b>1,521,760</b>	<b>2,606,900</b>
<b>Corporate bonds</b>		
Within one year	–	2,999,970
	<b>–</b>	<b>2,999,970</b>

	As at 31 December 2021 <i>RMB'000</i>	As at 31 December 2020 <i>RMB'000</i>
<b>Repayment Schedule</b>		
<b>Senior notes</b>		
Within one year	3,160,096	7,201,463
More than one year, but not exceeding two years	5,685,348	1,942,754
More than two years, but not exceeding five years	6,623,194	11,051,606
	<u>15,468,638</u>	<u>20,195,823</u>
<b>Total borrowings</b>	<u>21,940,013</u>	<u>31,303,722</u>
<b>Deduct:</b>		
Cash and cash equivalents	(5,901,642)	(22,618,964)
Restricted bank deposits	(3,946,166)	(6,707,913)
<b>Net borrowings</b>	<u>12,092,205</u>	<u>1,976,845</u>
<b>Total equity</b>	<u>12,743,321</u>	<u>14,582,035</u>
<b>Net gearing ratio (%)</b>	<u>94.9%</u>	<u>13.6%</u>

**Pledge of assets:** As at 31 December 2021, 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 RMB8,957 million (31 December 2020: approximately RMB11,260 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 RMB4,673 million (31 December 2020: approximately RMB5,775 million) to secure loans granted to joint ventures.

**Contingent liabilities:** As at 31 December 2021, we had provided guarantees of approximately RMB56,546 million (31 December 2020: approximately RMB48,222 million) to banks in respect of the mortgage loans provided by the banks to customers who purchased the developed properties of the Company and our joint ventures. We also provided guarantees of approximately RMB6,522 million as at 31 December 2021 (31 December 2020: approximately RMB8,332 million) in respect of bank loans and other loans of joint ventures and an associate.

**Capital commitment:** As at 31 December 2021, we had contractual commitments undertaken by subsidiaries of the Company, the performance of which was underway or ready, in respect of property development amounting to approximately RMB18,033 million (31 December 2020: approximately RMB37,088 million), and we had authorised, but not yet contracted for, a further approximately RMB71,140 million (31 December 2020: approximately RMB49,439 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 2021, 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. We currently do not use derivative instruments to hedge our interest rate risk.

**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*

In 2021, 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 led by comrade Xi Jinping. China's economic development and epidemic prevention and control have both maintained their leading position in the world, and the national economy is generally within a reasonable range. The main development objectives for the year have been completed, achieving a good start to the 14th Five-Year Plan. In 2021, China achieved a GDP of RMB114.4 trillion, representing an increase of 8.1% as compared with that of 2020 at constant prices. The economy demonstrated the momentum of sustained recovery and the strong resilience of China's economic development.

2021 has been an extremely critical and extraordinary year in the development of Henan. In the face of the severe impact on the province's economic development brought by the overlap of the mega-flood disaster and the COVID-19 epidemic, all parts of the province and all departments steadfastly carried out the new vision, coordinated on prevention and control of the epidemic, post-disaster recovery and reconstruction and economic and social development work. In the midst of tremendous difficulties and challenges, fixed asset investment has steadily recovered, and the two-year average growth rate of major economic indicators has been maintained and the gap of year-on-year growth rate between Henan Province and the national average has narrowed. In 2021, the province achieved a GDP of RMB5,888.741 billion, representing an increase of 6.3% as compared with that of last year in terms of comparable prices.

## **2. *The Property Market***

The central government adhered to the general tone of “housing is for accommodation, not for speculation” in 2021. China’s property market has undergone a transition from a high heat in the first half of the year to a deep adjustment in the second half of the year. Local governments earnestly implemented differentiated policies in light of different situations in different places, initiated a “two-way” adjustment mode, which remained at a high level throughout the year, while the growth rate of property development investment decelerated. Major cities implemented a centralised land-sale programme and continued to optimize land auction rules, emphasizing counter-cyclical adjustment. On the property finance sector, from risk control to risk generation, a virtuous circle is set. Since the end of September, the central government and various ministries have continuously provided signals to maintain stability, with the central bank lowering quotas and interest rates and putting forward “two safeguards” for the property market, resulting in a marginal improvement in the credit environment and a gradual improvement in the financing environment for property enterprises.

In 2021, the GFA of properties sold in China amounted to 1,794.33 million sq.m, representing an increase of 1.9% as compared with that of last year; the commercial property sales amounted to RMB18,193 billion, representing an increase of 4.8% as compared with that of last year; and the investment in property development in China amounted to RMB14,760.2 billion, representing an increase of 4.4% as compared with that of last year.

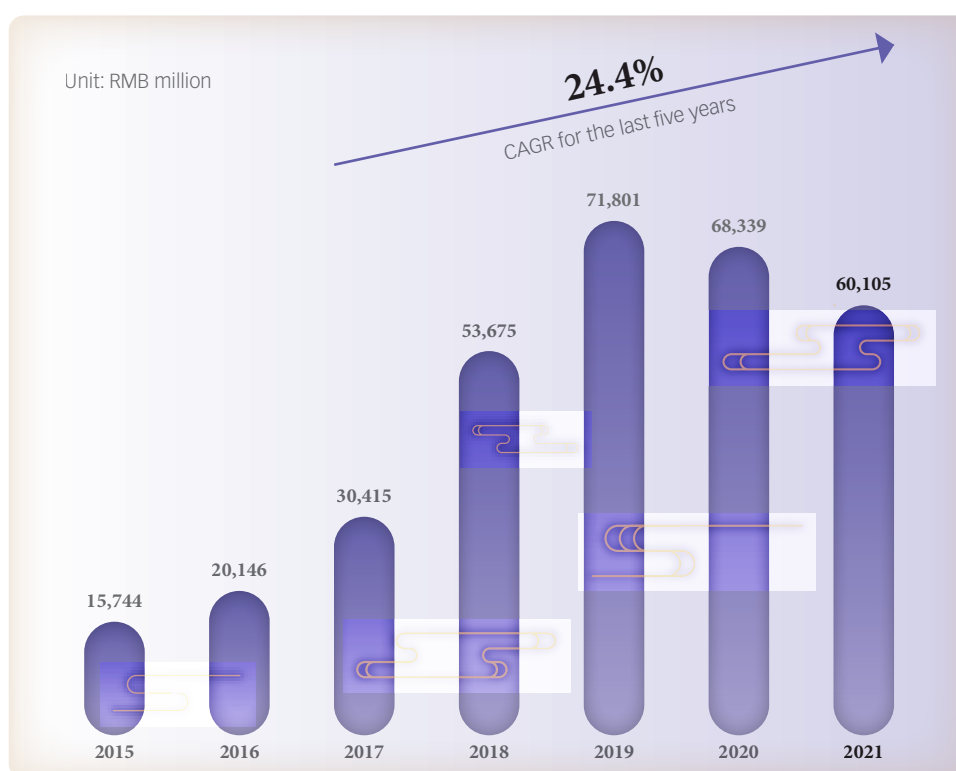
Henan Province made overall plans for both epidemic prevention and control and housing and urban-rural construction in 2021. It adhered to the positioning of “housing is for accommodation, not for speculation”, and ensured the stable and healthy development of the property market. All localities implemented policies based on cities, implemented the goals of stabilizing land prices, housing prices and expectations. In 2021, the area of commercial property sold in Henan Province amounted to 132.7719 million sq.m., representing a decrease of 5.8% year on year; the commercial property sales amounted to RMB865.771 billion, representing a decrease of 7.5% year on year; and the investment in property development in the province amounted to RMB787.435 billion, representing an increase of 1.2% year on year.

## (II) Project Development

### 1. Property Development

#### (a) Property Sales Performance

During the reporting period, the contracted sales amount of the heavy assets of the Company was approximately RMB60.105 billion, and the contracted GFA of heavy assets was approximately 8.166 million sq.m., a year-on-year decrease of 12.05% and 8.20% respectively. In terms of the contracted amount, the Company's market share in Henan Province in 2021 is 6.9%.





City	Contracted sales amount			Contracted GFA		
	(RMB million)			('000 sq.m.)		
	2021	2020	Change	2021	2020	Change
Zhengzhou	14,484	15,302	-5%	1,316	1,112	18%
Kaifeng	1,998	1,584	26%	294	242	21%
Luoyang	9,074	6,633	37%	1,066	729	46%
Pingdingshan	740	2,363	-69%	109	379	-71%
Anyang	3,127	4,441	-30%	602	660	-9%
Hebi	1,953	1,503	30%	357	234	53%
Xinxiang	2,201	3,670	-40%	369	567	-35%
Jiaozuo	2,042	1,931	6%	310	318	-3%
Puyang	2,709	2,577	5%	391	407	-4%
Xuchang	1,147	2,845	-60%	168	446	-62%
Luohe	1,901	1,634	16%	278	241	15%
Sanmenxia	637	1,239	-49%	102	223	-54%
Shangqiu	5,917	5,593	6%	996	849	17%
Zhoukou	3,525	3,880	-9%	510	624	-18%
Zhumadian	2,772	4,086	-32%	462	676	-32%
Nanyang	1,587	3,328	-52%	227	412	-45%
Xinyang	2,960	3,383	-13%	460	501	-8%
Jiyuan	890	1,848	-52%	127	250	-49%
Hainan	441	500	-12%	22	25	-12%
Total	<u>60,105</u>	<u>68,340</u>	<u>-12%</u>	<u>8,166</u>	<u>8,895</u>	<u>-8%</u>

*(b) Newly Commenced Property Projects*

As of 31 December 2021, the Company commenced the construction of 69 projects in total with newly commenced GFA of 7,788,000 sq.m. 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	Zhengzhou J18 (Phase 1)	Commercial	233,082
Zhengzhou	Zhengzhou Junlin Grand Courtyard	Residential	132,532
Zhengzhou	Zhengzhou Blossom Garden	Residential	120,033
Kaifeng	Lankao CCRE Mall (Phase 2)	Commercial	9,928
Kaifeng	Kaifeng Taihe Mansion (Phase 1)	Residential	67,896
Luoyang	Luoyang Dachengxiaoyuan (Phase 3)	Residential	72,781
Luoyang	Luoyang Luanzhou Palace (Phase 1)	Residential	126,207
Luoyang	Luoyang Dingding Palace (Phase 7)	Residential	239,155
Luoyang	Luoyang Zhonghong City (Phase 1)	Residential	319,208
Luoyang	Luoyang Honour Mansion (Phase 2)	Residential	107,229
Luoyang	Longshang Court	Residential	26,637
Pingdingshan	Wugang Forest Peninsula (Phase 7)	Residential	86,176
Anyang	Anyang Chinoiserie Palace North Garden	Residential	192,063
Anyang	Anyang Jianye City follow-up Land Lot	Residential	92,696
Anyang	Linzhou Jianye City (Phase 1)	Residential	178,176
Anyang	Huaxian Honour Mansion (Phase 1)	Residential	78,313
Anyang	Anyang Jianye City (Phase 4)	Residential	48,191
Hebi	Hebi Longmen No.7 Courtyard (Phase 1)	Residential	150,006
Hebi	Hebi Flower Creek Town (Phase 1)	Residential	137,118
Hebi	Hebi Taihe Mansion	Residential	121,229
Xinxiang	Xinxiang Jianye Mansion	Residential	177,088
Xinxiang	Xinxiang Honour Mansion	Residential	54,577
Xinxiang	Hui County Gongcheng Dongwang	Residential	65,406
Jiaozuo	Jiaozuo Jianye Mansion (Phase 1)	Residential	136,618
Jiaozuo	Jiaozuo Shuxiang Yard	Residential	110,000
Puyang	Puyang Zhenyuehui (Phase 1)	Residential	70,568
Puyang	Taiqian Jianrun House (Phase 2)	Residential	81,675

City	Project name	Principal use of property	GFA commenced during the year (sq.m.)
Puyang	Puyang Longcheng (Phase 3)	Residential	142,125
Puyang	Puyang Chinoiserie Palace (Phase 3)	Residential	18,481
Puyang	Puyang Code One City	Residential	132,544
Puyang	Puyang Sky Mansion	Residential	222,281
Luohe	Luohe Longhushuxiang Mansion (Phase 1)	Residential	260,995
Luohe	Luohe Art Mansion	Residential	229,101
Luohe	Luohe Ideal City	Residential	134,846
Luohe	Luohe Blossom Garden	Residential	51,025
Sanmenxia	Sanmenxia New District Forest Peninsula	Residential	110,871
Sanmenxia	Yima Chinoiserie Palace (Phase 1)	Residential	123,544
Shangqiu	Shangqiu Chinoiserie Palace (Phase 1)	Residential	147,377
Shangqiu	Shangqiu Jianye Country Garden Yuelong Mansion	Residential	282,574
Shangqiu	Minquan Long House	Residential	148,434
Shangqiu	Shangqiu Jiangshan House	Residential	102,954
Shangqiu	Shangqiu Shangheyuan	Residential	70,982
Zhoukou	Xiangcheng Jianye City (Phase 1)	Residential	74,674
Zhoukou	Huaiyang Binhe Courtyard (Phase 1)	Residential	1,258
Zhoukou	Taikang Jianye City North Courtyard	Residential	1,315
Zhoukou	Zhoukou Hill Water Lake City (Phase 1)	Residential	30,839
Zhoukou	Huaiyang Sweet-Scented Osmanthus Garden	Residential	39,317
Zhoukou	Fugou Jianye Mansion	Residential	140,524
Zhoukou	Zhoukou Canal Ancient Town	Commercial	24,523
Zhoukou	Taikang Jianye Mansion	Residential	157,678
Zhoukou	Zhoukou Canal Courtyard	Residential	79,342
Zhoukou	Zhoukou Jianye City (Phase 4)	Residential	149,304
Zhoukou	Chinoiserie Palace	Residential	97,989
Zhoukou	Zhoukou Guandi Temple	Commercial	14,896
Zhumadian	Xincai CCRE Mall	Residential	36,826
Zhumadian	Zhumadian Chinoiserie Palace	Residential	198,390
Zhumadian	Shangcai Jianye Mansion	Residential	111,003
Zhumadian	Suiping Jianye Mansion	Residential	162,998
Zhumadian	Zhumadian Boshan House	Residential	131,407
Zhumadian	Pingyu Jiangshan House	Residential	96,232
Nanyang	Nanyang Art Mansion (Phase 1)	Residential	49,645
Nanyang	Nanyang Shilihushan (Phase 3)	Residential	54,562
Nanyang	Dengzhou Qingyunli	Residential	124,448
Xinyang	Gushi Jianye City	Residential	70,531

City	Project name	Principal use of property	GFA commenced during the year (sq.m.)
Xinyang	Luoshan Jianye Mansion (Phase 1)	Residential	130,480
Xinyang	Gushi Jianye Mansion	Residential	30,448
Xinyang	Xinyang Sky Mansion	Residential	79,615
Xinyang	Huaibin Huaihe Courtyard	Residential	130,935
Xinyang	Huangchuan Dingchengfu	Residential	156,543
Total			<u>7,788,444</u>

(c) *Property Projects under Development*

As at 31 December 2021, the Company had 194 projects under development with a total GFA of approximately 32,658,000 sq.m., including 24 projects under development in Zhengzhou, 167 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	231,872
Zhengzhou	Gongyi Chinoiserie Palace	Residential	160,870
Zhengzhou	Zhengzhou Financial Island	Commercial	838,863
Zhengzhou	Zhengzhou CCRE Tihome International City	Residential	1,204,319
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	149,415
Zhengzhou	Zhengzhou J18	Commercial	594,289
Zhengzhou	Zhengzhou Chengyuan	Residential	227,175
Zhengzhou	Zhengzhou Spring Time	Residential	52,185
Zhengzhou	Zhengzhou Riverside House	Residential	252,495
Zhengzhou	Zhengzhou Huayuankou resettlement area (Huihua New City)	Residential	293,154

City	Project name	Principal use of property	GFA under development (sq.m.)
Zhengzhou	Zhengzhou Blossom Garden	Residential	576,190
Zhengzhou	Zhengzhou Junlin Grand Courtyard	Residential	363,734
Zhengzhou	Zhengzhou Intelligent Square	Commercial	230,205
Zhengzhou	Zhengzhou Intelligent Palace	Residential	15,238
Zhengzhou	Zhengzhou Royal Mansion	Residential	221,557
Zhengzhou	Zhengzhou Art Mansion	Residential	352,303
Zhengzhou	Zhengzhou Wonderland	Residential	134,829
Kaifeng	Kaifeng Jianye Country Garden Majestic Mansion	Residential	177,333
Kaifeng	Lankao CCRE Mall	Residential	99,109
Kaifeng	Lankao Red World	Commercial	135,312
Kaifeng	Tongxu Jianye City	Residential	113,712
Kaifeng	Tongxu Code One City	Residential	246,897
Kaifeng	Kaifeng Taihe Mansion	Residential	67,896
Luoyang	Luanchuan Luanzhou Palace	Residential	132,610
Luoyang	Luoyang Binhelong House	Residential	237,424
Luoyang	Luoyang Dachengxiaoyuan	Residential	221,286
Luoyang	Luoyang Dingding Palace	Residential	750,378
Luoyang	Luoyang Code Two City	Residential	244,474
Luoyang	Luoyang Fengdu	Residential	154,414
Luoyang	Luoyang Technology City	Residential	62,262
Luoyang	Luoyang Longcheng Dongwang	Residential	129,342
Luoyang	Luoyang Zhongzhou Mansion	Residential	124,279
Luoyang	Luoyang Honour Mansion	Residential	112,199
Luoyang	Yichuan Dragon Mansion	Residential	238,594
Luoyang	Luoyang Zhonghong City	Residential	319,208
Luoyang	Luoyang Longshang Court	Residential	26,637
Pingdingshan	Pingdingshan Spring Time	Residential	240,502
Pingdingshan	Pingdingshan Guangming Mansion	Residential	138,374
Pingdingshan	Pingdingshan Eighteen Cities	Residential	116,473
Pingdingshan	Pingdingshan Honour Mansion	Residential	105,813
Pingdingshan	Ruzhou Sweet-Scented Osmanthus Garden	Residential	42,250
Pingdingshan	Wugang CCRE Mall	Residential	29,496
Pingdingshan	Wugang Jianye Country Garden Jade County	Residential	46,631
Pingdingshan	Wugang Forest Peninsula	Residential	243,122
Anyang	Anyang Phoenix City North Bank	Residential	257,353
Anyang	Anyang Sweet-Scented Osmanthus Garden	Residential	133,332

City	Project name	Principal use of property	GFA under development (sq.m.)
Anyang	Anyang Jianye City	Residential	359,344
Anyang	Anyang Junlin Grand Courtyard	Residential	77,830
Anyang	Anyang Chinoiserie Palace North Garden	Residential	303,541
Anyang	Anyang Sky Mansion	Residential	71,078
Anyang	Anyang Tonghe Palace	Residential	208,728
Anyang	Anyang Code One City	Residential	120,970
Anyang	Linzhou Jianye City	Residential	178,176
Anyang	Huaxian Honour Mansion	Residential	78,313
Anyang	Tangyin Central Garden	Residential	143,968
Hebi	Hebi Chinoiserie Palace	Residential	224,546
Hebi	Hebi Code One City	Residential	92,187
Hebi	Hebi Zhenyuehui	Residential	105,832
Hebi	Hebi Longmen No.7 Courtyard	Residential	150,006
Hebi	Hebi Flower Creek Town	Residential	137,118
Hebi	Qi County Jianye City	Residential	139,140
Hebi	Hebi Taihe Mansion	Residential	121,229
Xinxiang	Beverly Manor	Residential	94,190
Xinxiang	Fengqiu Central Garden	Residential	89,278
Xinxiang	Hui County Gongcheng Dongwang	Residential	275,356
Xinxiang	Hui County Code One City	Residential	187,800
Xinxiang	Weihui Spring Time	Residential	206,449
Xinxiang	Xinxiang Blossom Garden	Residential	108,774
Xinxiang	Xinxiang Chinoiserie Palace	Residential	563,626
Xinxiang	Changyuan Forest Peninsula Courtyard	Residential	191,922
Xinxiang	Xinxiang Jianye Mansion	Residential	177,088
Xinxiang	Xinxiang Honour Mansion	Residential	54,577
Jiaozuo	Bo'ai Spring Time	Residential	237,450
Jiaozuo	Jiaozuo Spring Time	Residential	54,388
Jiaozuo	Jiaozuo Chinoiserie Palace	Residential	89,701
Jiaozuo	Jiaozuo Jianye Mansion	Residential	136,618
Jiaozuo	Mengzhou Jianye Mansion	Residential	110,791
Jiaozuo	Wuzhi Majestic Mansion	Residential	177,787
Jiaozuo	Wuzhi Star Mall	Residential	120,481
Jiaozuo	Jiaozuo scholar yard	Residential	110,000
Puyang	Puyang Jianye New City	Residential	107,598
Puyang	Puyang Longcheng	Residential	365,455
Puyang	Puyang Puyuan	Residential	149,180
Puyang	Puyang Chinoiserie Palace	Residential	237,571

City	Project name	Principal use of property	GFA under development (sq.m.)
Puyang	Puyang Tonghe House	Residential	40,328
Puyang	Puyang Code One City	Residential	141,559
Puyang	Puyang Zhenyuehui	Residential	70,568
Puyang	Taiqian Jianrun House	Residential	159,556
Puyang	Puyang Sky Mansion	Residential	222,281
Xuchang	Xiangcheng CCRE Mall	Residential	280,245
Xuchang	Xuchang Chinoiserie Palace	Residential	57,706
Xuchang	Xuchang Pleasure Garden	Residential	225,670
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	Changge Sweet-Scented Osmanthus Garden New City	Residential	77,178
Xuchang	Changge Forest Eco-City	Residential	33,178
Luohe	Linying Forest Peninsula	Residential	147,622
Luohe	Luohe Danjiang House	Residential	80,081
Luohe	Luohe Sweet-Scented Osmanthus Garden	Residential	144,533
Luohe	Luohe Blossom Garden	Residential	223,468
Luohe	Luohe Xicheng Forest Peninsula	Residential	207,954
Luohe	Luohe Longhushuxiang Mansion	Residential	260,995
Luohe	Luohe Art Mansion	Residential	229,101
Luohe	Luohe Ideal City	Residential	134,846
Sanmenxia	Sanmenxia New District Forest Peninsula	Residential	78,748
Sanmenxia	Sanmenxia Honour Mansion	Residential	70,564
Sanmenxia	Yima Chinoiserie Palace	Residential	213,509
Shangqiu	Minquan Happy Place	Residential	136,585
Shangqiu	Shangqiu Chengyuan	Residential	181,904
Shangqiu	Shangqiu Central Garden	Residential	3,254
Shangqiu	Shangqiu Eighteen Cities	Residential	153,332
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	338,693
Shangqiu	Zhecheng Lianmeng Dongwang	Residential	83,747
Shangqiu	Shangqiu Chinoiserie House	Residential	147,377
Shangqiu	Minquan Long Palace	Residential	148,434

City	Project name	Principal use of property	GFA under development (sq.m.)
Shangqiu	Shangqiu Jiangshan House	Residential	102,954
Shangqiu	Shangqiu Shangheyuan	Residential	70,982
Shangqiu	Shangqiu Jianye Country Garden Yuelong Mansion	Residential	282,574
Zhoukou	Fugou Jianye New City	Residential	91,516
Zhoukou	Huaiyang CCRE Mall	Residential	58,159
Zhoukou	Luyi Jianye City	Residential	98,143
Zhoukou	Luyi Mingdao City	Residential	7,233
Zhoukou	Shangshui Yangcheng Courtyard	Residential	15,311
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
Zhoukou	Xiangcheng Jianye City	Residential	30,298
Zhoukou	Huaiyang Binhe Courtyard	Residential	299,027
Zhoukou	Zhoukou Jianye City	Residential	369,747
Zhoukou	Zhoukou Hill Water Lake City	Residential	307,303
Zhoukou	Zhoukou Chinoiserie Palace	Residential	327,113
Zhoukou	Zhoukou Shiyue Mansion	Residential	35,319
Zhoukou	Fugou Jianye New City	Residential	140,524
Zhoukou	Sweet-Scented Osmanthus Garden New City	Residential	39,317
Zhoukou	Zhoukou Canal Ancient Town	Residential	24,523
Zhoukou	Zhoukou Canal Yard	Residential	79,342
Zhoukou	Zhoukou Guandi Temple	Commercial	14,896
Zhoukou	Taikang Jianye Mansion	Residential	157,678
Zhumadian	Pingyu Central Garden	Residential	122,145
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	30,169
Zhumadian	Xincai Sweet-Scented Osmanthus Garden	Residential	75,061
Zhumadian	Zhengyang Jianye City	Residential	20,379
Zhumadian	Zhumadian Binhelong Palace	Residential	139,231
Zhumadian	Zhumadian Spring Time	Residential	445,361
Zhumadian	Zhumadian Chinoiserie Palace	Residential	463,539
Zhumadian	Zhumadian The West Lake Villa	Residential	34,312
Zhumadian	Zhumadian Honour Mansion	Residential	151,330
Zhumadian	Shangcai Jianye Mansion	Residential	111,003



City	Project name	Principal use of property	GFA under development (sq.m.)
Zhumadian	Zhumadian Boshan House	Residential	131,407
Zhumadian	Suiping Jianye Mansion	Residential	162,998
Zhumadian	Pingyu Jiangshan House	Residential	96,232
Nanyang	Fangcheng Jianye Country Garden Dragon Bay	Residential	52,576
Nanyang	Nanyang Central Garden	Residential	47,722
Nanyang	Nanyang Longyue City	Residential	656,741
Nanyang	Nanyang Art Mansion	Residential	189,098
Nanyang	Xixia Central Garden	Residential	42,556
Nanyang	Dengzhou Qingyunli	Residential	124,448
Nanyang	Nanyang Shilihushan	Residential	54,562
Xinyang	Gushi Future City	Residential	142,146
Xinyang	Huaibin County Sweet-Scented Osmanthus Garden	Residential	115,371
Xinyang	Huangchuan Huangguo Palace	Residential	173,542
Xinyang	Shangcheng Jianye City	Residential	73,783
Xinyang	Xi County Jianye New City	Residential	111,825
Xinyang	Xinyang Mansion	Residential	365,110
Xinyang	Xinyang Jianye City	Residential	193,630
Xinyang	Luoshan Jianye Mansion	Residential	130,480
Xinyang	Gushi Jianye City	Residential	30,448
Xinyang	Huaibin Huaihe Courtyard	Residential	130,935
Xinyang	Xinyang Sky Mansion	Residential	79,615
Xinyang	Huangchuan Dingchengfu	Residential	156,543
Jiyuan	Jiyuan Spring Time	Residential	98,014
Jiyuan	Jiyuan Blossom Garden	Residential	127,011
Jiyuan	Jiyuan Jianye City	Residential	416,822
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			<u><u>32,658,079</u></u>

(d) *Property Projects Delivered*

As at 31 December 2021, the Company had 79 projects delivered in total with a total GFA of approximately 7,742,000 sq.m..

City	Project name	Principal use of property	GFA delivered during the year (sq.m.)
Zhengzhou	Zhengzhou Wulong Century New City Xiangya Garden	Residential	319,049
Zhengzhou	Zhengzhou Blossom Garden	Residential	39,678
Zhengzhou	Zhengzhou CCRE Tihome International City (Phase 8)	Residential	136,000
Zhengzhou	Gongyi Spring Time (Phase 3)	Residential	81,879
Zhengzhou	Zhengxi U-Town (Phase 5)	Residential	293,454
Zhengzhou	Zhengzhou Chengyuan (Phase 1)	Residential	219,753
Kaifeng	Kaifeng Blossom Garden (Phase 1)	Residential	49,238
Kaifeng	Qi County Blossom Garden (Phase 1)	Residential	42,330
Luoyang	Luoyang Dingding Palace	Residential	191,686
Luoyang	Luoyang Technology City (Phase 1)	Residential	127,596
Luoyang	Luoyang Longcheng Dongwang (Phase 1)	Residential	77,644
Luoyang	Luanchuan Luanzhou Palace (Phase 1)	Residential	86,578
Luoyang	Luoyang Honour Mansion (Phase 1)	Residential	185,065
Luoyang	Luoyang Technology City (Phase 1)	Residential	94,755
Luoyang	Luoyang Code Two City (Phase 2)	Residential	147,700
Luoyang	Yanshi Forest Peninsula (Phase 3)	Residential	38,127
Luoyang	Luoyang Dingding Palace (Phase 3)	Residential	114,987
Pingdingshan	Wugang Forest Peninsula (Phase 4)	Residential	33,394
Pingdingshan	Ruzhou Jianye Sweet-Scented Osmanthus Garden (Phase 1)	Residential	58,386
Pingdingshan	Pingdingshan Eighteen Cities (Phase 3)	Residential	61,949
Pingdingshan	Pingdingshan Spring Time (Phase 1)	Residential	99,906
Pingdingshan	Wugang Forest Peninsula (Phase 4)	Residential	34,588
Pingdingshan	Wugang Jade County	Residential	34,342
Anyang	Tangyin Forest Peninsula (Phase 4)	Residential	82,444
Anyang	Anyang Jianye City (Phase 2)	Residential	85,555
Anyang	Anyang Chinoiserie Palace (Phase 1)	Residential	191,885
Anyang	Anyang Sweet-Scented Osmanthus Garden (Phase 3)	Residential	126,598

City	Project name	Principal use of property	GFA delivered during the year (sq.m.)
Anyang	Hua County Code One City	Residential	251,803
Anyang	Anyang Code One City (Phase 1)	Residential	140,572
Xinxiang	Beverly Manor	Residential	365,292
Xinxiang	Xinxiang Spring Time (Phase 1)	Residential	83,167
Xinxiang	Xinxiang Chinoiserie Palace (Phase 1)	Residential	66,937
Xinxiang	Hui County Spring Time (Phase 1)	Residential	65,613
Xinxiang	Xinxiang U-Town (Phase 4)	Residential	126,902
Jiaozuo	Bo'ai Spring Time (Phase 1)	Residential	34,223
Jiaozuo	Jiaozuo Central Garden (Phase 3)	Residential	6,326
Jiaozuo	Jiaozuo Spring Time	Residential	68,697
Jiaozuo	Wen County Spring Time (Phase 1)	Residential	59,201
Jiaozuo	Wuzhi Star Mall (Phase 1)	Residential	16,580
Jiaozuo	Jiaozuo Chinoiserie Palace (Phase 2)	Residential	38,514
Puyang	Puyang Jianye New City (Phase 2)	Residential	163,455
Puyang	Puyang Chinoiserie Palace (Phase 2)	Residential	200,945
Puyang	Puyang Zhenyuehui	Residential	214,000
Puyang	Puyang Code One City (Phase 3)	Residential	48,974
Puyang	Puyang Tonghe House (Phase 2)	Residential	64,938
Xuchang	Xuchang Chinoiserie Palace (Phase 2)	Residential	45,379
Xuchang	Yuzhou Sweet-Scented Osmanthus Garden (Phase 2)	Residential	92,120
Xuchang	Changge Forest Peninsula (Phase 2)	Residential	21,573
Xuchang	Changge Sweet-Scented Osmanthus Garden New City (Phase 1)	Residential	135,911
Xuchang	Xuchang Pleasure Garden (Phase 1)	Residential	39,747
Luohe	Luohe Sweet-Scented Osmanthus Garden East District	Residential	113,605
Luohe	Luohe Xicheng Forest Peninsula (Phase 3)	Residential	11,472
Sanmenxia	Sanmenxia New District Forest Peninsula (Phase 3)	Residential	46,542
Shangqiu	Shangqiu Sky Mansion (Phase 1)	Residential	41,187
Shangqiu	Shangqiu Blossom Garden (Phase 1)	Residential	64,578
Shangqiu	Shangqiu Headquarter Port (Phase 1)	Residential	108,052
Shangqiu	Shangqiu Central Garden (Phase 3)	Residential	92,638

City	Project name	Principal use of property	GFA delivered during the year (sq.m.)
Zhoukou	Zhoukou Forest Peninsula (Phase 7)	Residential	49,386
Zhoukou	Huaiyang Jianye City (Phase 1)	Residential	28,262
Zhoukou	Shangshui Yangcheng Courtyard (Phase 1)	Residential	29,084
Zhoukou	Zhoukou Shiyue Mansion (Phase 1)	Residential	153,833
Zhoukou	Taikang Jianye City North Courtyard (Phase 1)	Residential	28,395
Zhoukou	Xiangcheng Jianye City (Phase 1)	Residential	74,674
Zhoukou	Zhoukou Dachengxiaoyuan (Phase 1)	Residential	161,924
Zhoukou	Fugou Jianye New City (Phase 1)	Residential	68,310
Zhoukou	Luyi Mingdao City (Phase 2)	Commercial	10,289
Zhoukou	Huaiyang CCRE Mall	Residential	42,395
Zhumadian	Zhengyang Jianye City (Phase 2)	Residential	82,661
Zhumadian	Xincai CCRE Mall (Phase 2)	Residential	66,644
Zhumadian	Zhumadian Spring Time (Phase 1)	Residential	252,483
Zhumadian	Xincai Sweet-Scented Osmanthus Garden (Phase 1)	Residential	69,176
Zhumadian	Runan Jianye City (Phase 2)	Residential	137,287
Zhumadian	Zhumadian Eighteen Cities (Phase 6)	Residential	136,441
Nanyang	Xixia Central Garden (Phase 1)	Residential	80,708
Nanyang	Nanyang Central Garden (Phase 1)	Residential	51,665
Nanyang	Fangcheng Jianye Country Garden Dragon Bay	Residential	66,892
Xinyang	Gushi Jianye City (Phase 2)	Residential	70,531
Jiyuan	Jiyuan Blossom Garden (Phase 1)	Residential	156,742
Jiyuan	Jiyuan Jianye City East	Residential	41,034
Total			<u><u>7,742,325</u></u>

## **2. 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. The five high-end hotel projects, namely Le Méridien Zhengzhou, Pullman Kaifeng Jianye, Holiday Inn Nanyang, Four Points by Sheraton Luohe and Aloft Zhengzhou Shangjie commenced operations successively from 2011 to 2015. In addition, our own brand hotels, namely Yanling Jianye The Mist Hot Spring Hotel, Zhengzhou Jianye Sky Mansion, Unique Theatre Hotel, Xuchang Shenhui Town • Jianye Starry Hills, Xinyang Jigongshan • Jianye Starry Hills and Xijian Inn (喜見客棧) opened successively from 2018 to 2021. In addition, another four hotels in our own brand, namely, Pingdingshan Jianye Triumph Hotel, Zhumadian Jianye Triumph Hotel, Yunxiu Hotel, Linqi Hotel and Wugang Jianye Starry Hills Hotel are all under construction. Our total investment in hotels has reached RMB4.94 billion up to now, and the number of hotels invested in Henan has reached 16.

### *Le Méridien Zhengzhou*

Le Méridien Zhengzhou opened on 30 November 2013. It 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 it is located at the intersection site of Zhengzhou Metro, Line 3 and Line 4, it being only a 10 minutes' and 28 minutes' drive to Zhengzhou International Convention and Exhibition Centre and Xingzheng 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 distinguish 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 feature restaurants and bars will further enrich the stay experience and provide 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 in the hotel, are all ideal places for relaxing and hosting 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*

Aloft Zhengzhou Shangjie opened on 6 August 2011. Located on the opposite of the District Government of Shangjie District, Zhengzhou City, Henan Province, the hotel 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 within.

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 opened on 8 August 2012. It 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 occupants' 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 on vacation, planning a wedding or holding a meeting, Holiday Inn Nanyang is the perfect choice for occupants.

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

Tel: 0377-60218888

### *Four Points by Sheraton Luohe*

Four Points by Sheraton Luohe opened on 29 November 2012. It is located by the west branch of Songshan Road, Yancheng District, Luohe City, adjacent to Luohe International Convention and Exhibition Centre. It is about a 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 occupants 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*

Pullman Kaifeng Jianye opened on 1 November 2015. 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 having been preserved.

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 lakes.

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

### *Zhengzhou Jianye Sky Mansion*

Zhengzhou Jianye Sky Mansion opened on 1 October 2018. It is located at the northwest corner of the intersection of Dongfeng East Road and Kangning Street in Zhengzhou City. 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. The hotel covers a total GFA of 34,251.8 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 opened on 1 February 2018. It is located at Chenhuadian Town, Yanling County, Xuchang, Henan Province, covering an area of 50,264 sq.m..

The hotel is a joint masterpiece of Amata Luphaiboon and Twitee Vajrabhaya Teparkum who are both internationally renowned architects. 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.

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

### *Xuchang Shenhou Town • Jianye Starry Hills*

Xuchang Shenhou Town, “Capital of Jun Porcelain in China”, is one of the first batch of characteristic towns 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, which opened on 1 October 2019.

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 opened on 1 July 2020. It 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, groups, 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*

Zhengzhou Jianye Unique Theatre Hotel opened on 5 June 2021. The hotel has a total of 400 cozy and tasteful guest rooms, including comfortable rooms, exquisite rooms, family rooms and suites, 2 full-day restaurants, 1 Chinese restaurant, gyms, Treasure Park and foot health centre.

The hotel is located at Zhongmu County, Zhengzhou, adjacent to Henan Drama Magic City. It takes only 10 minutes' drive from Jianye Huayi Brothers Movie Town and International Cultural and Creative Industry Park in Zhengzhou, and about 40 minutes' drive from Zhengzhou East High Speed Railway Station and Xinzheng International Airport. It is the first theme hotel in Jianye cultural tourism section. Henan Drama Magic City is the first panoramic and fully immersive drama theme park in China, which was co-developed by CCRE and director Wang Chao. Therefore, the customers will experience of "living in the drama" and the opportunity to get a closer look at the splendid Central China in Unique Theatre Hotel.

Address: The northeast corner of intersection of Wenxin Road and Ping'an Avenue, Zhongmu County, Zhengzhou, Henan Province

Tel: 0371-86568888

### *Xijian Inn*

Xijian Inn opened on 21 September 2019. The inn is located in Taiji Street, Jianye-Huayi Brothers Film Town Park, and belongs to the "Xijian" brand operated by Jianye. "Xijian" comes from the Tang Dynasty poet Liu Yuxi's work: "Suddenly hearing the arrival of a horse, I am happy to see an old friend coming", meaning that when guests come here, there will be a kind of joy like meeting an old friend, which is also in line with the theme of "living in a movie". The inn is divided into four different types, namely the Jianghu style "One Night in Jianghu", the mountain style "Qingshan Hou", the Republic of China style "Crescent Moon House", and the opera style "West Wing". The area of One Night in Jianghu is 760 sq.m.; the area of Qingshan Hou is 615 sq.m.; the area of Crescent Moon House is 1,537 sq.m.; the area of the West Wing is 1,840 sq.m., with a total construction area of 4,752 sq.m. There are 67 guest rooms and 76 beds, which can accommodate 136 people.

During daytime, customers can eat, watch operas and visit folk customs, leaving an unforgettable movie memory; at night, customers can stay at the four themed inns and experience scene-based accommodation. The 24-hour butler service brings a unique sense of customization to customers. The superb hardware facilities provide home-like comfort.

Address: Jianye Huayi Brothers Movie Town at the intersection of Wenchuang Road and Baihua Street, Zhongmu County, Zhengzhou City, Henan Province  
Tel: 0371-62168000

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

Pingdingshan Jianye Triumph Hotel and Zhumadian Jianye Triumph Hotel are CCRE'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 in the second half of 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 threedimension 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.

*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 2025.

*Wugang Jianye Starry Hills Hotel (Under construction)*

Wugang Jianye Starry Hills Hotel is located at the southwest corner of Tieshan Avenue and Wenzhou Road. The main body of the hotel is integrated with Baicheng Tiandi business. It has 9 floors and 87 guest rooms. The first to second floors are the hotel lobby, and the third to ninth floors are guest rooms. It abandons the traditional monotonous hotel space and creates a stylish hotel public area and private space. After going downstairs, it is Baicheng Tiandi Commercial Street, which meets the needs of hotel guests for food, accommodation and transportation.

### **3. Cultural tourism**

Cultural tourism sector of the Company is engaged in development and operation of property projects for cultural tourism principally located in historic cities in Henan Province, such as Zhengzhou, Kaifeng and Luoyang. With rich history, culture and natural resources, it tells the “Jianye story of cultural tourism” in different styles, forms and substance through theme park, tourist district and real scenery performance. As at 31 December 2021, the Company had the following projects for cultural tourism, namely Jianye Huayi Brothers Movie Town, Unique Henan Land of Dramas (只有河南·戲劇幻城) and Qishengjiao in Kaifeng.

With the good performance of the cultural tourism sector in recent years, the Company has attracted enormous attention in China’s cultural tourism industry and gained industrial influence greatly. In 2021, the Company was awarded the “Top 20 China Tourism Groups 2021” in the China Tourism Group Development Forum, ranking first in the national tourism industry again, the only one in Henan Province and the second time after 2020. The Company’s newly launched project of Unique Henan Land of Dramas was selected as “2021 Cultural Tourism Integration Innovation Project”.

On the same year, Henan Central China Culture Tourism Real Estate Development Co., Ltd., a subsidiary of the Company, won the “Most Potentious Tourism Property Developer Award” and other honors in China Entertainment Technology and the 12th theme park and scenic spot summit. The film town project was awarded the “Best Tourism Industry Innovation Award” and other honors at the 10th China Tourism Investment ITIA Award Ceremony.

Jianye Huayi Brothers Movie Town project is located in International Cultural and Creative Industry Park in Zhengzhou with a total land use scale of approximately 600 Chinese-mu. In the form of film sets 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 sets, 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 Chinese-mu was grandly premiered on 21 September 2019 and put into operation, receiving an enthusiastic market response. The project has become the most famous site for taking photos in Central China. Successively mentioned in special reports of national media like People's Daily, Xinhua News Agency, China Central Television, Xuexi Qiangguo (xuexi.cn), the project has received favorable comments from all walks of life. In 2020, it was rated as an AAAA National Tourist Attraction.

In 2021, Zhengzhou was continuously hit by several waves of the COVID-19 epidemic and the "7.20" heavy rainstorm, forcing the movie town to close several times. Despite this unfavorable situation, the project remained popular, with the tourist visits reaching approximately 1.60 million and the operating revenue amounting to approximately RMB180 million. It gained a good market reputation and succeeded in both economic benefits and brand effects.

Unique Henan Land of Dramas is a large-scale acting and performance project co-developed with Wang Chao (王潮歌), a famous director of real scenery performance. With 21 theatres, the project boasts the largest theater cluster in China. The project is located in International Cultural and Creative Industrial Park in Zhengzhou with a total site area of approximately 622 Chinese-mu and is also one of the Type-A Key Construction Projects in Henan Province. 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 and 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 a 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. In its 21 theaters of the project, more than 30 plays have been presented by nearly 1,000 performers. The theaters in the park have a total capacity of 10,000 people, including three main theaters, which have a capacity of nearly 5,000 people. The total duration of a single show of all plays is nearly 700 minutes and the total number of performances in a single day during the peak season is nearly 200, with a total duration of nearly 5,000 minutes.

After four years of construction, Unique Henan Land of Dramas held a grand opening ceremony on 5 June 2021, the day of Chinese lunar Grain in Ear. This attracted attention nationwide. More than 2,000 entrepreneurs, cultural celebrities, partners of Central China and media guests from all over the country witnessed the premiere.

After the project was officially opened for operation on 6 June, it went viral in the market with a good reputation and tourist visits increased steadily. The park was forced to close several times due to the impact of multiple waves of the COVID-19 epidemic in Zhengzhou and the “7.20” heavy rainstorm disaster and it only operated for 140 days in 2021, but with the strong appeal of the project, the number of visitors reached more than 500,000, the number of theater-goers exceeded 3,000,000, and the operating revenue amounted to approximately RMB100 million.

Located at Kaifeng City (used to be an 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-long Yuhe River constructed with our investment, the project has highlighted the characteristics of a northern waterside city and has successfully connected tourism resources. Since its opening in 2014, Qishengjiao has attracted attention from all walks of life, becoming a new spot popular with tourists. The project is facing adjustment and exploration to keep with the increasingly mature tourist market. The project is currently speeding up to upgrade. 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 realised the combination of youth, trend and classicality, and created a new image of the commercial street combining “art + trend + culture + architecture + space + creativity + aesthetics”.



#### **4. *Green House***

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, Yichuan Jianye Green House and Zhoukou Jianye Green House; One green house was under-development, namely Nanyang 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, agritourism, 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 in 2021 was nearly 0.8 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 2021, Yanling Jianye Green House was authorized 8 patents of utility models, completed the registration of 2 Henan Provincial Science and Technology Achievements, namely "Research on Soilless Cultivation Technology and Industrialization Application of Cut Flower Red Palm" and "Industrialization and Promotion of Phalaenopsis and Gerbera", and participated in the establishment of Henan Provincial Local Standard "Technical Regulations of Overwintering Cucumber Production in Daylight Greenhouse DB41T1352-2021". In December 2021, it successfully completed the acceptance of Henan Provincial Strategic Alliance for Technology Innovation in Facility Flower and Tree Industry, and the project has been publicized.

In recent years, Yanling Jianye Green House successively won the honorary titles of national 4A tourist attraction, “Top 10 Scenery Spot in Xuchang City”, “Special Social Practical Education Base for Primary and Secondary Schools in Henan Province” and “Off-campus Practical Education Base for Local Undergraduate in Henan Province”. Yanling Jianye Green 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. In July 2021, “Flaming Lily – Tropical Night” of Yanling Jianye Green House won the Gold Award in the Exhibits Category (Cut Flowers) of the 10th China Flower Expo. 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. In 2021, the number of visitors reached 840,000. 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 six 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 6,000 jobs for local farmers, provided more than 1,500 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. Recently, “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. “Jianye Green House Agricultural Complex Project” was listed as a key construction project of Henan Province for three consecutive years. In April 2021, Hebi Jianye Green House was selected by the Ministry of Agriculture and Rural Affairs of the People’s Republic of China as one of the “2021 China Beautiful Villages Leisure Tourism Line (Spring) Recommended Fine Scenic Spot Routes”; in September, it was appraised as the “Henan Province Rural Tourism Creativity Demonstration Site”.

### *Yichuan Jianye Green House*

Yichuan Jianye Green House is located at 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 popularisation 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”.

In 2021, Yichuan Jianye Green House recorded more than 300,000 visitors. In January 2021, Yichuan Jianye Green House was awarded as “Social Practice Education Base of Primary and Secondary Schools in Luoyang”; in September, it was selected as “List of Key Construction Projects in Henan Province” by Development and Reform Commission of Henan Province.

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, Sky Glass Bridge, Sky Bikes, Mountain Cross-country, 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 5,000 Chinese-mu and a planned total investment of RMB5 billion. The project covers modern ecoagriculture, 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 timehonored 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 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 ParentChild Paradise of 20,000 sq.m.; 5) the experience agriculture demonstration park of 60 Chinese-mu; 6) Jianye foodcourt of 5,200 sq.m.; 7) modern and technical agriculture exhibition hall of 5,000 sq.m.; 8) comprehensive service center of 7,500 sq.m.; 9) planting area of seedlings, fruit trees and lawns has achieved over 3,000 Chinese-mu; 10) 50,000 sq.m. Swan Island Wetland Park and Colorful Beach have been completed and opened to the public; 11) 20,000 sq.m. Riverfront Park has been completed; and 12) land for supporting residential construction has been acquired and construction has begun.

In 2021, Zhoukou Jianye Green House received more than 1,000,000 tourists, including provincial and municipal leaders, experts and scholars in relevant fields at home and abroad, and established long-term and stable cooperative relations with various sports associations, wedding associations, expansion training institutions, research and education institutions. In March 2021, Zhoukou Jianye Green House was rated as the “Special Social Practice Education Base for Primary and Secondary Schools in Zhoukou City”. In November, it was awarded “Henan Province Agricultural Science and Technology Demonstration Park”, “Zhoukou City Science Propagation Base”, “Zhoukou City Urban-Rural Integration Demonstration Zone Convergence to Promote Rural Revitalization Construction Project” and “Zhoukou City Agricultural Science Institute Science and Technology Innovation Demonstration Base”.

### *Nanyang Jianye Green House*

Nanyang Jianye Green House is located at the north of Wolong District, Nanyang City, leaning on Dushan Mountain to the west and facing Yong River to the east, about 1.8 kilometers away from the direct line of Baihe River. The project is located in a superior transportation area, with Shangnan Expressway to the north, Provincial Road 234 to the west and Kongming North Road to the east. With a total area of about 4,800 mu and a planned investment of RMB2 billion, it is the fifth idyllic complex project of Jianye Group. The project combines the characteristic culture of Nanyang, with the China rose, mugwort and unique jade industry as the support, forming a new mode of “agriculture – travel – production” closed-loop development, and is committed to creating an agricultural field complex project integrating agricultural demonstration, village revitalization, ecological leisure, suburban tourism, health and wellness, cultural entertainment, etc. After the completion of the project, it will directly and indirectly promote the employment of nearly 10,000 people, and develop into a special agricultural industrial park in southwest Henan, a demonstration area of rural revitalization in southwest Henan, and a research and experience base of Dushan jade culture in Nanyang, and strive to build a provincial or even national-level demonstration project of idyllic complex.

The construction of the project started on 29 September 2021. The core function space in the park is scheduled to open for business on 1 October 2022 and the construction is divided into two phases.

Phase I: Activation period (2021-2022): Pulling framework, creating environment and building platform.

The project will focus on building a technology demonstration area, and will quickly start the development of the park with the images of “intelligent agriculture center, Jianye Cafeteria, Dushan jade culture study base, rural revitalization lecture hall, emerging vocational farmer training center, 5C grade RV camping site, etc.” to build the confidence of enterprises to invest. By introducing the mature IP of the Jianye, the project of “Smart Agriculture Center/Construction Industry Cafeteria” can quickly attract people. Preliminary land preparation work in the park to be completed, and the construction of roads and infrastructure around the core area to be improved.

Phase II: Mature stage (2023-2025): Excellent supporting facilities, fine living and strong services.

The project will gradually develop the medical and health zone and intelligent agriculture zone; basically settle the construction of roads and infrastructures in the park area and refine the overall spatial landscape appearance. Guihua Village and Da Chenzhuang Village Revitalization Demonstration Area will be developed. And further optimization, implantation of highly creative agricultural experience tourism projects and supporting facilities, establishment of the park's creative image, attracting popularity, and becoming a highly well-known domestic destination for special rural tourism.

## **5. *Light Asset***

The Company originally established a subsidiary, CCMGT, in charge of managing of light-asset business. Pursuant to the strategic planning of the Group, the Company successfully spin off CCMGT and CCMGT was listed separately on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") on 31 May 2021. CCMGT is principally engaging in business of commercial project management, which aims to be a comprehensive project management service provider and resolute as ever in its core value of "Taking Root in Central China and Contributing to Society" and its mission of "Providing quality living standards for the people in the Great Central China".



With our well-designed architectural works and intimate services, we introduce the public to experience a new way of life. Leveraging on the recognition of “Jianye” brand in the target market, its strong management capability, mature product and service system, comprehensive resource arrangement and integration capabilities, we conduct brand output, management output and resource output. CCMGT devotes itself to consolidating regional resources, and developing a project management service platform to establish a complementary advantages, win-win cooperation, open and dynamic enterprise ecosystem and enhance its comprehensive competitiveness and ability of creating value. It deems it as its duty to facilitate urbanisation construction in the Great Central China region and improve living environment in the region to help the Group go out of Henan, go to the Great Central China and serve it. Under the guidance of the strategy of the Great Central China, while maintaining its absolute leading position in the market of Henan province, CCMGT will continue to enhance its core competitiveness, be bold in expanding and actively expand its business scale. It will also continue to expand its business outside Henan province, improve its market share in the China project management market and facilitate it to become a leading player in China project management market from an advanced project management company!

On 18 March 2021, Henan Zhongyuan Central China City Development Company Limited (a major subsidiary of CCMGT) was awarded the “2021 China Property Management Outstanding Enterprise” at the “2021 China Top 100 Property Company Research Conference”.

From 1 January to 30 May 2021 (prior to the spin-off for listing), CCMGT had 41 newly contracted projects with the GFA of 4.59 million sq.m., among which six were outside Henan province with the contracted GFA of 520,000 sq.m.. The contracted sales was RMB10,977 million. CCMGT is responsible for the establishing and optimising of the standardised management standards and agreements on an ongoing basis. By implementing the “refined management of the entire process” of projects, it can complement each other’s advantages, share risks and results with its partners.

Under the guidance of the Great Central China strategy, CCMGT 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 business to a new level. The Company has operated in Henan, Shaanxi, Shanxi, Anhui, Hebei, Xinjiang and Hainan provinces and autonomous region. As of 30 May 2021 (prior to the spin-off for listing), CCMGT had 243 projects under management with a total GFA of 29.56 million sq.m.. Among them, there were 19 projects in the provinces out of Henan, with a total GFA of 1.85 million sq.m..

CCMGT will continue to expand its business in the provinces out of Henan, 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, to greatly improve its comprehensive competitiveness and ability of creating values, continuously improve the profitability of light asset business and continue to provide better quality services to partners. Through its lean management, it will continue to provide the property owners in the Great Central China region with the first class products and services.

### **(III) Land Reserves**

During the reporting period, the Group acquired land with a site area of approximately 2.894 million sq.m. through tendering, auction and listing, equity cooperation, etc. It had newly added land reserves with a GFA of approximately 8.091 million sq.m.. As of 31 December 2021, the Company had land reserves with a GFA of approximately 53.45 million sq.m., including attributable GFA of approximately 38.61 million sq.m..

#### ***1. Land Tendering, Auction and Listing***

On 17 June 2021, the Group acquired the land use right of a land parcel (No. WG2021-501) located at the intersection of Xinsan Road and Xin 22nd Street, Xinyang City in online tendering (listing) for sale process held by Natural Resources Online Trading System of Xinyang City for transfer of state-owned construction land use rights. The purchase price for the acquisition was RMB288 million. No. WG2021-501 land parcel has a site area of 30,008 sq.m. with a mandatory detailed planned plot ratio of 2.0.

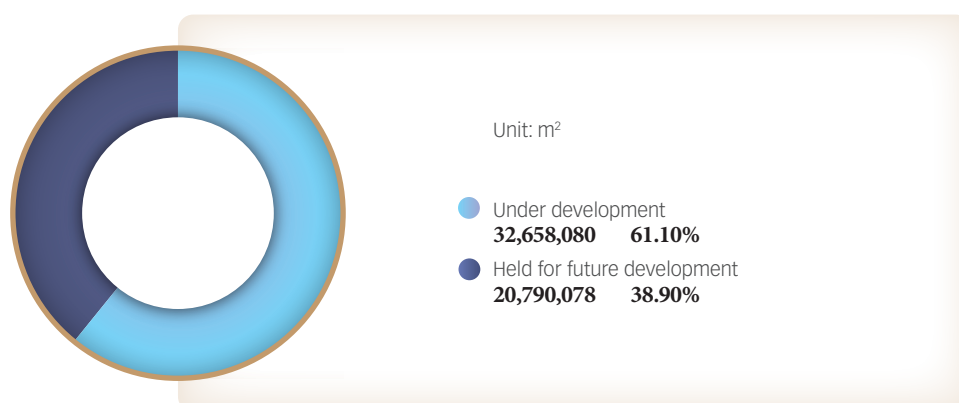
## **2. *Equity Cooperation***

As at 31 December 2021, the Group acquired an aggregate of 67 land parcels with a total site area of 2,864,170 sq.m. in Anyang City, Jiaozuo City, Xinxiang City, Jiyuan City, Zhoukou City, Shangqiu City, Zhengzhou City, Xinyang City, Luohe City, Zhumadian City, Luoyang City and Nanyang City by way of equity cooperation.

## **3. *Distribution of Land Reserves***

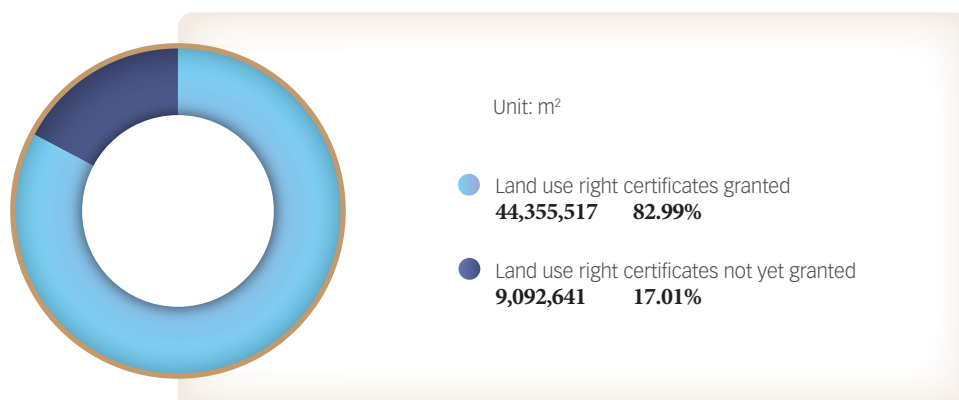
### *(1) Distribution of the Company's land reserves by development status*

As at 31 December 2021, the distribution of the Company's land reserves by development status is set out in the table below:



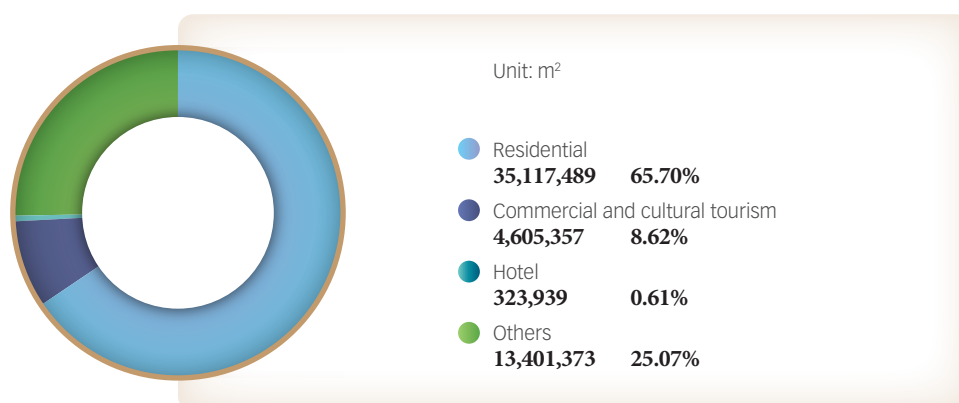
(2) *Distribution of the Company's land reserves by land use right certificates*

As at 31 December 2021, the distribution of the Company's land reserves by land use right certificates is set out in the table below:



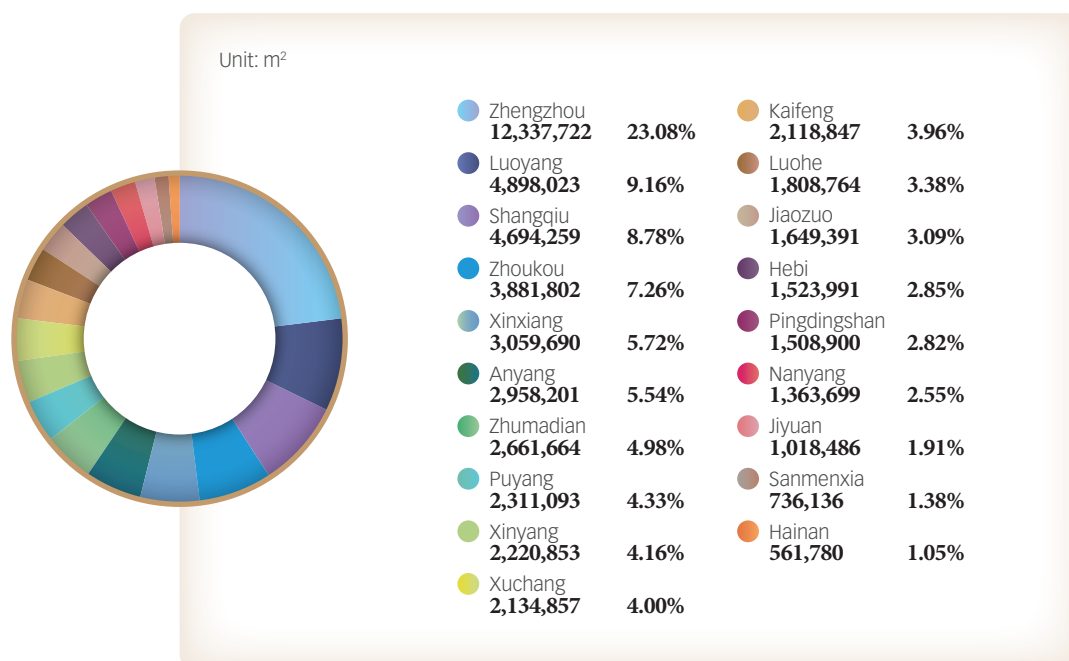
(3) *Distribution of the Company's land reserves by property types*

As at 31 December 2021, 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 2021, 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 continuously promoted the research and development and implementation of 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 carry out new product projects research and development and standardise iteration and upgrade, completed the innovation and research and development of “New Concept Apartment”, “8F Future Community” and “Innovative Façade”. Leveraged on the six new featured residential product lines, the Company continued to facilitate product line optimisation and iteration, which enhanced product competitiveness and brand premium, and helped the Group’s strategic transformation and land acquisition and investment in various cities.

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. The Group actively promoted residential industrialization, applied prefabricated BIM technologies to Plum Garden (梅苑) in Beilong Lake Junlin Grand Courtyard Project, and helped with the implementation of prefabricated construction for the projects to secure product quality. During the reporting period, 6 residential industrialization design projects were completed with a prefabricated GFA of 460,000 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 cannot fully satisfy the new demand of upgraded consumption.

Insisting on the core concept of “providing quality living standards for the people of Greater Central China”, 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 property, 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 Bamboo Garden (竹苑) in Beilong Lake Junlin Grand Courtyard, Plum Garden (梅苑) in Beilong Lake Junlin Grand Courtyard, Xinyang Sky Mansion, and Zhengzhou Riverside House with a total design area of 366,000 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 lowcarbon 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. The Company issued the Green Manifesto of CCRE in 2010 to better implement the national regulations and policies on energy conservation and environmental protection, to implement the relevant requirements of the energy-saving design standards for residential buildings in Henan Province, to enhance building energy efficiency, and to improve building energy-saving standards 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 2021, 62 projects of the Company with a total GFA of approximately 9,920,000 sq.m. have passed the National Green Building Certification.



### *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 2021, Chairman Mr. Wu Po Sum proposed “the Great Central China strategy”, extending the radius of the business strategic base areas from 300 kilometers to 500 kilometers, going out of Henan to the Greater Central China, to serve the Greater Central China. In other words, the business coverage area will be expanded to give full play to the advantages of multi-industrial synergetic development in the Greater Central China area within a radius of 500 kilometers, with Zhengzhou as the center, so as to build a happy home for our customers and provide our customers quality living standards.

During the reporting period, in confronting the complex industry situation and external environment, the Company adhered to “customer-centric” and aimed at customer satisfaction, and continued to promote the normalization of “No delay in customer affairs” and built a solid risk prevention and control system, while the Company innovated work ideas to drive product and service iterative optimization in terms of improving delivery services, enhancing residential satisfaction and reducing customer complaints. In confronting the “7.20” rainstorm, we responded quickly by establishing a flood control emergency mechanism, formulating a flood control plan, and trying our best to manage the flood control safety of construction sites, delivered communities and sales departments; in confronting heavy rainstorm, epidemic, dust control and other difficulties, all employees of the Company worked together, overcame difficulties and worked day and night to ensure delivery, and some projects were delivered ahead of schedule and “certificate upon handover” (交房即發證), which was praised by the house owners; by creating a standardized delivery process “there is a happiness called living in Jianye properties” (有一種幸福叫住建業), releasing a unified delivery VI, strengthening brand output, enhancing the brand image and creating a sense of homecoming ritual; upgrading the site opening service by utilizing videos and live broadcast to promote transparency in building standards, material selections and working processes, allowing house owners to see their future homes without any travel and enhancing their confidence in the products of CCRE; further strengthening the fine management of risk control, and continuously improving the defect feedback mechanism, publishing the “Sales Stage Risk Control Case Study Collection” (《銷售階段風控案例集》) and the “Sky Mansion Series Product Defect Cases Study” (《天築系列產品缺陷案例》), and realizing the “soft landing” of complaints through the whole process risk management. The Company also innovated service forms, took the initiative to conduct the “Polish Action” (煥採行動), to continuously inspect the communities within 2-year warranty period, and continue to conduct Improvement and Enhancement campaign, in the old community for more than three years to comprehensively improve the community environment and living quality; organizing customer care activities such as Happiness Tours in Unique in Henan Drama Magic City or Jianye Huayi Brothers Movie Town, the “My Family Lives by the Yellow River” (我家住在黃河邊) acrobatic culture festival, and special flood/epidemic prevention and control activities, to create diversified life experiences and convey the temperature of CCRE’s happiness. The Group’s customer satisfaction rating has remained stable among the best enterprises in property satisfaction!

## **BUSINESS OUTLOOK**

### **1. The Macro-economic Landscape**

Central government meetings in 2021 set the tone for China's economic work in 2022. The central government still adheres to the general tone of striving for stability, insists on the complete, accurate and comprehensive implementation of the new development concept, accelerates the construction of a new development pattern, comprehensively deepens reform and opening up, insists on innovation-driven development, and promotes high-quality development. It insists on supply-side structural reform as their main target. It will coordinate the work of epidemic prevention and control, economic and social development and development and security by carrying out the tasks of "six stability " and "six guarantees". It will continue to improve people's livelihood, focus on stabilizing the macro-economic situation, keep the economy running in a reasonable range, maintain social stability, and welcome the victory of the Party's 20th National Congress.

Looking ahead to 2022, the province's economic development opportunities and challenges coexist. Henan Province will adhere to the guidance of Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era, fully implement the 19th Party Congress and the 19th Plenary Session and the spirit of the Central Economic Work Conference, implement the 11th Party Congress and the second plenary session of the 11th Provincial Party Committee and the Provincial Economic Work Conference. It insists on taking the lead in stability, seeking progress in stability, focusing on stabilizing the economy, anchoring the "two guarantees", grasping the implementation of key tasks around the implementation of the "ten strategies", maintaining a stable recovery and positive development of the economy, promoting the province's economic development, and welcoming the 20th Party Congress with excellent results.

## **2. Property Market Outlook**

In 2022, the property policy is aligning to the requirements of “stable expectations” and “stable growth”, with a focus on better satisfying the reasonable housing needs of home buyers and keeping the property market running smoothly and healthily. The property regulation is expected to have substantial relaxation, including the possible adjustment of policies such as purchase, sale and loan restrictions. Looking ahead to the whole year, it is expected that the credit environment will improve significantly. The “two-way” adjustment mode of the property market may run throughout the year. Stable and orderly will become the main tone of the development of the property market. It is expected that the sales volume of commercial housing will shrink and the price will be stable. The investment in property development may rise steadily, and the growth rate will gradually narrow.

In 2022, under the positioning of “housing is for accommodation, not for speculation”, Henan Province will formulate and implement “one city, one policy”, strengthen the coordination of policies such as finance, land, and market supervision, and stabilize land prices, housing prices, and expectations. It will support reasonable housing consumption, ensure rigid housing needs, and meet reasonable housing needs for improvement. It will strengthen and standardize the supervision of commodity house pre-sale funds, establish a long-term mechanism; resolve the risk of hidden dangers, insist on “protecting people’s livelihood, ensuring the delivery of buildings, ensuring stability”, and implement “a building a policy a special class”. It is expected that property enterprises will return to the strategic layout of Greater Zhengzhou, select key cities to enter, and maintain scale and seek new profit points through brand management output.

## 1. Commencement Plan

In 2022, the Company plans to commence construction of 94 projects with a GFA of approximately 8,000,176 sq.m..

City	Project name	Principal use of property	GFA
Zhengzhou	Zhengzhou Blue Ocean Zhengfeng No.10 Courtyard	Residential	61,538
Zhengzhou	Zhengzhou Art Mansion (Phase 2)	Residential	78,715
Zhengzhou	Zhengzhou Junlin Grand Courtyard	Residential	198,501
Zhengzhou	Zhengzhou ZhongAo Centre (Phase 1)	Residential	56,000
Zhengzhou	Football Town Residence (Phase 1)	Residential	56,652
Zhengzhou	Baisha Project (Phase 1)	Residential	43,745
Zhengzhou	Zhengzhou J18 (Phase 1)	Commercial	203,684
Zhengzhou	Tihome International City (Phase 1)	Residential	39,500
Kaifeng	Tongxu Jianye City (Phase 1)	Residential	40,735
Kaifeng	Kaifeng Headquarter Port (Phase 1)	Residential	70,543
Kaifeng	Kaifeng Taihe Mansion (Phase 2)	Residential	37,202
Kaifeng	Lankao Jiankang Road (Phase 1)	Residential	109,472
Kaifeng	Kaifeng Land Lot 1-4 (Phase 1)	Residential	37,202
Luoyang	Luoyang Luanzhou Palace (Phase 1)	Residential	13,488
Luoyang	Luoyang Dachengxiaoyuan	Residential	54,229
Luoyang	Luoyang Dingding Palace (Phase 8)	Residential	55,100
Luoyang	Luoyang Zhongzhou Mansion (Phase 2)	Residential	27,029
Luoyang	Luoyang Zhonghong City (Phase 1)	Residential	62,815
Luoyang	Luoyang Luoshen Plaza (Phase 1)	Residential	246,058
Luoyang	Luoyang Code Two City (Phase 4)	Residential	100,160
Luoyang	Luoyang Project	Residential	272,381
Pingdingshan	Pingdingshan Eighteen Cities (Phase 5)	Residential	17,856
Pingdingshan	Ruzhou Sweet-Scented Osmanthus Garden (Phase 3)	Residential	49,281

City	Project name	Principal use of property	GFA
Pingdingshan	Wugang Forest Peninsula	Residential	129,302
Anyang	Anyang Chinoiserie Palace North Garden Dong Lu (Phase 1)	Residential	2,316
Anyang	Anyang Guangming Mansion (Phase 1)	Residential	162,084
Anyang	Anyang Project (Phase 1)	Residential	68,799
Hebi	Hebi Flower Creek Town (Phase 2)	Residential	170,313
Hebi	Hebi No.7 Courtyard (Phase 1)	Residential	118,534
Xinxiang	Xinxiang Xinfei Jianye Mansion (Phase 1)	Residential	172,143
Xinxiang	Hui County Gongcheng Dongwang (Phase 3)	Residential	122,835
Xinxiang	Xinxiang Huagong Road East Land Lot (Phase 1)	Residential	40,720
Xinxiang	Changyuan Nampo Land Lot (Phase 1)	Residential	77,174
Xinxiang	Xinxiang Project	Residential	186,335
Jiaozuo	Jiaozuo Jianye Mansion (Phase 2)	Residential	156,671
Jiaozuo	Jiaozuo Shuxiang Yard (Phase 1)	Residential	64,330
Jiaozuo	Qinyang Zhongyuan Road Land Lot (Phase 1)	Residential	97,110
Puyang	Puyang Longcheng (Phase 3)	Residential	70,068
Puyang	Puyang Sky Mansion (Phase 3)	Residential	173,711
Puyang	Puyang Brewery Land Lot (Phase 1)	Residential	85,000
Puyang	Puyang Seven Village Consolidation Land Lot (Phase 1)	Residential	164,954
Xuchang	Xuchang Zhenyuehui (Phase 2)	Residential	10,743
Xuchang	Xiangcheng CCRE Mall (Phase 2)	Residential	17,755
Xuchang	Changge Sweet-Scented Osmanthus Garden New City	Residential	131,729
Xuchang	Changge Forest Peninsula	Residential	116,165
Xuchang	Yanling Eco-City (Phase 3)	Residential	119,913
Xuchang	Yanling Junlin Grand Courtyard	Residential	166,601
Xuchang	Xuchang Project (Phase 1)	Residential	86,616



City	Project name	Principal use of property	GFA
Luohe	Luohe Blossom Garden (Phase 1)	Residential	60,037
Luohe	Luohe Longhushuxiang Mansion (Phase 1)	Residential	176,806
Luohe	Luohe Dream City (Phase 1)	Residential	31,515
Luohe	Luohe Art Mansion (Phase 1)	Residential	100,690
Luohe	Luohe Blossom Garden (Phase 2)	Residential	21,956
Sanmenxia	Sanmenxia Honour Mansion (Phase 3)	Residential	138,760
Sanmenxia	Yima Chinoiserie Palace (Phase 1)	Residential	18,770
Shangqiu	Shangqiu Yuelong Mansion (Phase 1)	Residential	73,632
Shangqiu	Minquan Long Mansion (Phase 2)	Residential	82,424
Shangqiu	Shangqiu Future City (Phase 1)	Residential	35,741
Shangqiu	Xiayi Jianye City (Phase 2)	Residential	100,953
Shangqiu	Yucheng Hill Water Lake City	Residential	243,480
Shangqiu	Shangqiu Jiangshan Mansion (Phase 1)	Residential	82,271
Shangqiu	Yucheng Songshan Mansion (Phase 1)	Residential	125,130
Shangqiu	Shangqiu Shangheyuan (Phase 1)	Residential	88,953
Shangqiu	Shangqiu Project	Residential	219,536
Shangqiu	Downtown Land Lot (Phase 1)	Residential	168,722
Shangqiu	Xiangcheng Land Lot (Phase 1)	Residential	47,830
Zhoukou	Zhoukou Canal Ancient Town (Phase 1)	Residential	21,661
Zhoukou	Zhoukou Canal Courtyard (Phase 2)	Residential	25,598
Zhoukou	Zhoukou Chinoiserie Palace	Residential	93,814
Zhoukou	Zhoukou Guandi Temple Commercial (Phase 1)	Residential	18,108
Zhoukou	Zhoukou Hill Water Lake City (Phase 1)	Residential	108,801
Zhoukou	Zhoukou Jianye City (Phase 4)	Residential	58,444
Zhoukou	Huaiyang Binhe Courtyard (Phase 2)	Residential	81,674
Zhoukou	Fugou Jianye Mansion (Phase 1)	Residential	40,115
Zhoukou	Taikang Jianye Mansion (Phase 1)	Residential	96,089
Zhoukou	Zhoukou Land Lot 1 (Phase 1)	Residential	100,221
Zhoukou	Zhoukou Land Lot 2 (Phase 1)	Residential	93,315

City	Project name	Principal use of property	GFA
Zhumadian	Zhumadian Chinoiserie Palace (Phase 2)	Residential	1,320
Zhumadian	Xiping Spring Time (Phase 1)	Residential	9,042
Zhumadian	Zhumadian Binhelong Palace (Phase 1)	Residential	18,134
Zhumadian	Zhumadian Tianzhong Mansion	Residential	107,903
Zhumadian	Shangcai Jianye Mansion (Phase 1)	Residential	26,611
Zhumadian	Zhumadian Misty Mountain Mansion (Phase 1)	Residential	78,986
Zhumadian	Suiping Jianye Mansion (Phase 1)	Residential	112,042
Zhumadian	Pingyu Jiangshan House (Phase 1)	Residential	47,973
Nanyang	Nanyang Shilihushan (Phase 3)	Residential	9,477
Xinyang	Xinyang Huangchuan Dingchengfu (Phase 1)	Residential	18,381
Xinyang	Xinyang Gushi Jianye City (Phase 1)	Residential	13,692
Xinyang	Xinyang Huaibin Huaihe Courtyard (Phase 1)	Residential	6,072
Xinyang	Xinyang Sky Mansion (Phase 1)	Residential	6,672
Jiyuan	Jiyuan Blossom Garden Xiyue	Residential	91,260
Jiyuan	Jiyuan Majestic Mansion North Land Lot (Phase 1)	Residential	119,702
Jiyuan	Jiyuan Gaoxin District Land Lot (Phase 1)	Residential	92,332
Hainan	Chengmai Zhonghe Jiayuan (Phase 2)	Residential	41,724
		Total	8,000,176

## 2. *Delivery Plan*

In 2022, the Company plans to deliver 92 projects in total with GFA of approximately 9,776,158 sq.m..

City	Project name	Principal use of property	GFA
Zhengzhou	Zhengzhou Wonderland (Phase 1)	Residential	134,829
Zhengzhou	Zhengzhou Art Mansion (Phase 1)	Residential	112,084
Zhengzhou	Zhengzhou Chengyuan (Phase 2)	Residential	164,531
Zhengzhou	Zhengzhou Junlin Grand Courtyard	Residential	132,015
Zhengzhou	Gongyi Spring Time (Phase 4)	Residential	85,691
Zhengzhou	Dengfeng Songyue Mansion (Phase 2)	Residential	135,661
Zhengzhou	Zhengzhou Royal Mansion (Phase 1)	Residential	220,978
Zhengzhou	Tihome International City (Phase 1)	Residential	213,500
Kaifeng	Lankao Red World (Phase 2)	Residential	7,754
Kaifeng	Lankao CCRE Mall (Phase 1)	Residential	99,958
Kaifeng	Tongxu Code One City (Phase 1)	Residential	78,737
Kaifeng	Tongxu Jianye City (Phase 1)	Residential	58,069
Kaifeng	Kaifeng Majestic Mansion (Phase 1)	Residential	72,568
Luoyang	Yichuan Dragon Mansion (Phase 1)	Residential	105,513
Luoyang	Luoyang Luanzhou Palace (Phase 1)	Residential	66,816
Luoyang	Luoyang Dachengxiaoyuan	Residential	145,968
Luoyang	Luoyang Dingding Palace	Residential	275,161
Luoyang	Luoyang Longcheng Dongwang (Phase 2)	Residential	108,361
Luoyang	Luoyang Binhelong House (Phase 1)	Residential	116,654
Pingdingshan	Pingdingshan Spring Time	Residential	241,441
Pingdingshan	Pingdingshan Guangming Mansion (Phase 1)	Residential	60,659
Pingdingshan	Wugang Forest Peninsula (Phase 5)	Residential	73,575
Pingdingshan	Pingdingshan Eighteen Cities (Phase 4)	Residential	60,352
Pingdingshan	Wugang CCRE Mall (Phase 1)	Residential	3,781
Anyang	Anyang Code One City (Phase 1)	Residential	73,754
Anyang	Anyang Tonghe Palace (Phase 1)	Residential	159,217

City	Project name	Principal use of property	GFA
Anyang	Anyang Jianye City (Phase 3)	Residential	141,978
Anyang	Tangyin Central Garden (Phase 1)	Residential	120,900
Anyang	Anyang Sweet-Scented Osmanthus Garden (Phase 3)	Residential	67,246
Hebi	Hebi Zhenyuehui (Phase 1)	Residential	105,311
Hebi	Hebi Chinoiserie Palace (Phase 1)	Residential	177,310
Hebi	Qi County Jianye City (Phase 1)	Residential	76,345
Hebi	Hebi Tonghe Mansion (Phase 1)	Residential	99,319
Xinxiang	Xinxiang Chinoiserie Palace (Phase 1)	Residential	280,845
Xinxiang	Xinxiang Blossom Garden (Phase 1)	Residential	105,453
Xinxiang	Changyuan Forest Peninsula Courtyard (Phase 1)	Residential	53,509
Xinxiang	Weihui Spring Time (Phase 1)	Residential	205,062
Xinxiang	Fengqiu Central Garden (Phase 1)	Residential	93,069
Jiaozuo	Bo'ai Spring Time	Residential	100,125
Jiaozuo	Jiaozuo Chinoiserie Palace (Phase 2)	Residential	88,975
Jiaozuo	Wuzhi Star Mall	Residential	57,565
Jiaozuo	Jiaozuo Spring Time (Phase 2)	Residential	46,648
Puyang	Puyang Chinoiserie Palace (Phase 3)	Residential	82,123
Puyang	Puyang Zhenyuehui (Phase 1)	Residential	85,082
Puyang	Puyang Jianye New City (Phase 4)	Residential	107,187
Puyang	Puyang Jianye Longcheng (Phase 1)	Residential	102,468
Puyang	Puyang Puyuan (Phase 1)	Residential	66,583
Xuchang	Xuchang Zhenyuehui (Phase 1)	Residential	113,939
Xuchang	Yuzhou Spring Time (Phase 1)	Residential	98,855
Xuchang	Yuzhou Dachengxiaoyuan (Phase 1)	Residential	85,885
Xuchang	Xiangcheng CCRE Mall (Phase 1)	Residential	27,011
Xuchang	Changge Sweet-Scented Osmanthus Garden New City (Phase 1)	Residential	45,457
Xuchang	Changge Forest Peninsula (Phase 2)	Residential	22,293
Xuchang	Yanling Eco-City (Phase 3)	Residential	23,441
Luohe	Luohe Xicheng Forest Peninsula (Phase 3)	Residential	107,813

City	Project name	Principal use of property	GFA
Luohe	Luohe Sweet-Scented Osmanthus Garden West District (Phase 1)	Residential	106,475
Luohe	Linying Forest Peninsula (Phase 1)	Residential	68,126
Sanmenxia	Sanmenxia New District Forest Peninsula (Phase 3)	Residential	52,048
Sanmenxia	Sanmenxia Honour Mansion (Phase 2)	Residential	58,681
Shangqiu	Shangqiu Yuelong Mansion (Phase 1)	Residential	133,092
Shangqiu	Shangqiu Eighteen Cities (Phase 6)	Residential	180,645
Shangqiu	Sui County Shangheyuan (Phase 1)	Residential	87,390
Shangqiu	Shangqiu Chengyuan (Phase 1)	Residential	88,847
Shangqiu	Minquan Happy Place (Phase 1)	Residential	105,621
Shangqiu	Shangqiu Future City (Phase 1)	Residential	96,235
Shangqiu	Xiayi Jianye City (Phase 1)	Residential	215,804
Shangqiu	Yucheng Hill Water Lake City (Phase 1)	Residential	171,306
Zhoukou	Zhoukou Chinoiserie Palace (Phase 2)	Residential	161,034
Zhoukou	Huaiyang CCRE Mall (Phase 1)	Residential	24,927
Zhoukou	Fugou Jianye New City (Phase 1)	Residential	62,223
Zhoukou	Taikang Eco-City (Phase 1)	Residential	75,658
Zhoukou	Taikang Happy Place (Phase 1)	Residential	105,938
Zhoukou	Luyi Jianye City (Phase 90)	Residential	106,074
Zhumadian	Xincai CCRE Mall (Phase 2)	Residential	24,965
Zhumadian	Xincai Sweet-Scented Osmanthus Garden (Phase 1)	Residential	67,686
Zhumadian	Zhengyang Jianye City (Phase 2)	Residential	106,663
Zhumadian	Zhumadian Spring Time (Phase 2)	Residential	213,567
Zhumadian	Zhumadian Chinoiserie Palace (Phase 1)	Residential	186,172
Zhumadian	Suiping Jianye City (Phase 1)	Residential	107,825
Zhumadian	Xiping Spring Time (Phase 1)	Residential	96,055
Zhumadian	Pingyu Central Garden (Phase 1)	Residential	98,206
Zhumadian	Zhumadian Binhelong Palace (Phase 1)	Residential	113,998

City	Project name	Principal use of property	GFA
Nanyang	Nanyang Longyue City (Phase 1)	Residential	399,026
Nanyang	Nanyang Central Garden	Residential	47,082
Nanyang	Xixia Central Garden (Phase 1)	Residential	55,531
Nanyang	Nanyang Art Mansion (Phase 1)	Residential	84,241
Nanyang	Fangcheng Dragon Bay (Phase 1)	Residential	53,453
Xinyang	Xinyang Jianye City (Phase 2)	Residential	67,159
Xinyang	Huaibin County Sweet-Scented Osmanthus Garden (Phase 1)	Residential	93,710
Jiyuan	Jiyuan Jianye City (East) (Phase 1)	Residential	152,036
Jiyuan	Jiyuan Spring Time (Phase 1)	Residential	94,132
Hainan	Chengmai Zhonghe Jiayuan (Phase 1)	Residential	19,103
Total			<u>9,776,158</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 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 construction, implementation and assessment of the 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.

A three-line system for risk management and internal control has been put in place, namely, business control, human resource management, financial management and other functions constitute the “first line”, the functional center of internal control and supervision constitutes the “second line” and the internal audit and supervision department constitutes the “third line”. In order to enhance our risk management and internal control, each business management department is accountable for its daily management, and regularly conducts compliance self-assessment according to the compliance assessment template. The internal control department organizes regular cross inspections and random inspections, effectively implements internal control activities and issues internal control reports and continuously improves on the internal control guidelines as well as organizes and formulates remedies in a timely manner for management inadequacies and loopholes identified. The internal audit and supervision department of the Company also regularly inspects, evaluates and follows up on the operation and implementation effect of the internal control mechanism in order to ensure that relevant remedial actions are performed in a timely and smooth manner. Review findings have been reported to the Audit Committee for further follow-up actions.

As part of the risk management system, the management will continuously identify, review and monitor major risks, formulate risk response measures and implement them. The management has established risk identification and management procedures. 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. The Company has established an internal policy to provide the Company's directors, officers, senior management and relevant employees with general guidelines for handling confidential information, monitoring disclosure of information and responding to enquiries. The Company has implemented control procedures to prevent unauthorized access and use of internal information. 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 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 and system to address significant internal control deficiencies at least annually. The Board and the Audit Committee act pursuant to opinions from the internal audit 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 2021.

## **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 2021 which would materially affect the Company's operating and financial performance as of the date of this report.

## **FINAL DIVIDEND**

The Board resolved to recommend a final dividend of HK\$2.70 cents (equivalent to RMB2.21 cents) per share for the year ended 31 December 2021 (for the year ended 31 December 2020: HK\$26.80 cents). The Shareholders will be given an option to elect to receive the final dividend all in new Shares or partly in new Shares and partly in cash or all in cash (the "Scrip Dividend Scheme"). The new Shares will, on issue, rank *pari passu* in all respects with the existing Shares in issue on the date of allotment and issue of the new Shares except that they shall not be entitled to the proposed final dividend.

The Scrip Dividend Scheme is conditional upon the passing of the resolution relating to the payment of the final dividend at the forthcoming annual general meeting of the Company and the Stock Exchange granting the listing of, and permission to deal in, the new Shares to be issued under the Scrip Dividend Scheme. A circular giving full details of the Scrip Dividend Scheme together with the relevant form of election will be sent to eligible Shareholders on or around 20 June 2022. It is expected that the final dividend warrants and certificates for the new Shares will be despatched to eligible Shareholders at their own risk on or around 15 July 2022.

HK\$14.75 cents per share (for the six months ended 30 June 2020: HK\$11.00 cents) was distributed as interim dividend for the six months ended 30 June 2021.



## **ANNUAL GENERAL MEETING**

The 2022 AGM will be held on Tuesday, 31 May 2022 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 2022 AGM, the register of members of the Company will be closed from Thursday, 26 May 2022 to Tuesday, 31 May 2022 (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 Wednesday, 25 May 2022, for registration.

For the purposes of determining the entitlement to the proposed final dividend, the register of members of the Company will be closed from Wednesday, 8 June 2022 to Thursday, 9 June 2022 (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 Tuesday, 7 June 2022, 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 2021, 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 2021 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 2021 AGM as he was out of town for other business.

In their absence, Mr. Yeung Wai Leung, being the alternate Director of Mr. Wu Po Sum, attended the 2021 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 2021.

## **CHANGE OF DIRECTORS INFORMATION**

Pursuant to Rule 13.51B(1) of the Listing Rules, the changes in the information of the directors of the Company are set out as follows: Mr. Lim Ming Yan was appointed as a director of Sembcorp Industries Ltd. (Singapore stock code: U96), whose shares are listed on the Singapore Exchange Securities Trading Limited Listing on the Main Board, with effect from 18 January 2021.

## **PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES OF THE COMPANY**

On 14 January 2021, the Company issued US\$260 million 7.5% green senior notes due 2025.

On 10 February 2021, the Company redeemed all of its outstanding US\$300 million 6.875% senior notes due 2021 issued on 12 February 2020.

On 5 March 2021, the Company redeemed all of its outstanding US\$400 million 6.5% senior notes due 2021 issued on 5 March 2018 and additional issued on 30 April 2019.

On 30 April 2021, the Company issued US\$100 million 6.875% senior notes due 2022.

On 30 June 2021, the Company issued US\$100 million 6.875% senior notes due 2022.

On 9 September 2021, the Company partially redeemed its outstanding US\$2,700,000 7.9% senior notes due 2023 issued on 7 November 2019, representing the total initial principal amount of the notes approximately 1.35%.

On 10, 16 and 20 September 2021, the Company partially redeemed its outstanding US\$2,451,000 7.75% senior notes due 2024 issued on 24 November 2020, representing the total initial principal amount of the notes approximately 0.82%.

On 10, 16, 17, 20, 21, 24, 27, 28 and 29 September 2021, the Company partially redeemed its outstanding US\$8,770,000 7.25% senior notes due 2024 issued on 13 August 2020, representing the total initial principal amount of the notes approximately 2.92%.

On 6, 7, 8, 11, 13, 20, 21, 22 and 25 October 2021, the Company partially redeemed its outstanding US\$36,780,000 6.75% senior notes due 2021 issued on 8 November 2016 and additional issued on 8 October 2019, representing the total initial principal amount of the notes approximately 9.20%; subsequently on 8 November 2021, the Company redeemed all of its remaining outstanding US\$363,200,000 senior notes.

All of the notes issued above are listed and traded on the Singapore Stock Exchange. All the above redeemed senior notes have been cancelled on (or before) 31 December 2021.

In November 2021, the Company repurchased 3,000,000 shares in total in the market at a total consideration of HK\$3,077,500. The maximum and minimum prices paid per share are HK\$1.04 and HK\$0.98 respectively. All repurchased shares were cancelled on 31 December 2021.

The reason for implementing the share repurchase is that the Board believes that the trading price of the shares does not reflect their intrinsic value and that this is a good opportunity for the Company to repurchase the shares, thereby increasing the value of the shares and improving the return to shareholders.

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 2021.

## **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 2021.

## 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 2021 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](http://www.hkexnews.hk) and the Company's website at [www.jianye.com.cn](http://www.jianye.com.cn). The Company's annual report for the year ended 31 December 2021 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, 28 March 2022

*For the purpose of this announcement, unless otherwise indicated, the conversion of RMB into HK\$ is based on the exchange rate of RMB0.8176 = HK\$1. 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 eight Directors, of which Mr. Wu Po Sum and Mr. Wang Jun 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