



仁恒  
YANLORD

**Yanlord  
Land  
Group  
Limited**

# STAYING THE COURSE



Annual  
Report  
2022



Tang Song, Wuxi, PRC  
山棠雅园, 无锡, 中国

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Cover images:

(Top)  
Yanlord Arcadia, Shanghai, PRC  
仁恒海上源, 上海, 中国

(Bottom)  
Yanlord Gardens, Haikou, PRC  
仁恒滨江园, 海口, 中国





# STAYING THE COURSE

Yanlord strives to uphold the property developments of the natural element, building on a strong track record to stay the course and navigate its way through various challenges that may arise. By going with the flow and moving with changing times, Yanlord is able to enhance its resilience and develop a sustainable business, to deliver long-term returns to all its stakeholders.

Smriti Curtilage, Suzhou, PRC  
耦前別墅, 苏州, 中国





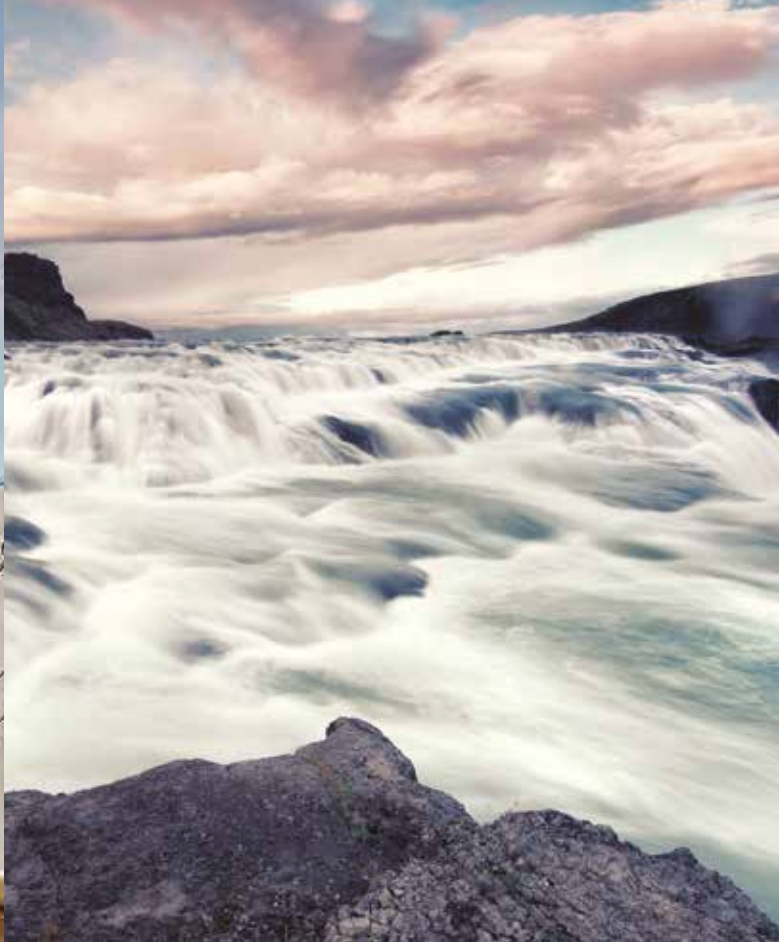
The Corals, Hangzhou, PRC  
珊瑚世纪雅园, 杭州, 中国

## CORPORATE PHILOSOPHY

Developing land with devotion,  
building quality accommodation with passion

善待土地 | 用心造好房





# ADAPTING TO CHANGE



A photograph of a modern building at night. The building has a glass facade on the left side, which is illuminated from within, showing a warm yellow light. The rest of the building is a light-colored, possibly stone or concrete, with a grid-like pattern. In the foreground, there is a courtyard with a pond. The pond is dark, reflecting the building and the sky. There are several trees in the courtyard, some of which are supported by wooden stakes. The sky is a deep blue, suggesting dusk or dawn. The overall mood is serene and modern.

## MISSION STATEMENT

Managing with benevolence and integrity,  
achieving perpetuity through perseverance

仁信治业 | 持之以恒





STANDING  
STRONG





## ABOUT YANLORD

Yanlord Land Group Limited (“Company” and together with its subsidiaries, “Yanlord” or “Group”) is a real estate developer focusing on developing high-end fully-fitted residential, commercial and integrated property projects in strategically selected key and high-growth cities in the People’s Republic of China (“PRC”) and Singapore. The Company has been listed on the Mainboard of the Singapore Exchange since June 2006.

Since Yanlord’s foray into the PRC property market in 1993, it has successfully developed a number of large-scale residential property developments with international communities of residents. Building on its established track record for developing high-end residential property developments in prime locations within affluent cities of the PRC, the “Yanlord” name has been developed into a premium brand synonymous with quality within the property development industry of the PRC. Typically, Yanlord’s residential property developments are characterised by large-scale, multi-phased projects designed and built by international architects, leading designers and reputable contractors. Currently, the Group has an established presence in 20 key high-growth cities within the six major economic regions of the PRC, namely:

- Yangtze River Delta – Shanghai, Nanjing, Suzhou, Hangzhou, Nantong, Yancheng, Taicang, Wuxi and Yangzhou;
- Western China – Chengdu;
- Bohai Rim – Tianjin, Tangshan, Jinan and Shenyang;
- Greater Bay Area – Shenzhen, Zhuhai and Zhongshan;
- Hainan – Haikou and Sanya; and
- Central China – Wuhan.





In Singapore, Yanlord currently has three residential projects namely Leedon Green and Dairy Farm Residences, as well as a site located at Lentor Central which was acquired in 2022.

Since 2003, Yanlord has been developing high-quality commercial and integrated properties for long-term investment purpose, such as shopping malls, offices, serviced apartments and hotels. Currently, Yanlord holds a portfolio of core completed investment and hotel properties in the PRC, including Yanlord Landmark and Hengye International Plaza in Chengdu; Yanlord Riverside Plaza in Tianjin; Yanlord Marina Centre in Zhuhai; Crowne Plaza Sanya Haitang Bay Resort in Sanya; and Yanlord Landmark in Nanjing. Meanwhile, through the acquisition of United Engineers Limited, the Group holds a high-quality investment property portfolio and hotels in Singapore, comprising UE BizHub CITY (including Park Avenue Clemenceau), UE BizHub TOWER, UE BizHub WEST, Rochester Mall and Park Avenue Rochester and Park Avenue Robertson. These projects are generating a growing rental income and for long-term investment for the Group.

# PAVING THE WAY WITH SUSTAINABILITY

Yanlord Elegant Villa, Wuhan, PRC  
仁恒西湖山居, 武汉, 中国





# YANLORD BUSINESS

## PROPERTY DEVELOPMENT – RESIDENTIAL, COMMERCIAL & INTEGRATED PROPERTIES

Yanlord develops large-scale projects located in prime and high-end residential areas. Yanlord's development comprises apartment complexes and villas that are designed to provide its customers with an assurance of quality, a complete lifestyle experience and a sense of community living. Residential property developments are equipped with facilities and amenities such as child-care centres, kindergartens, dining facilities, gym facilities, swimming pools and other sporting facilities. Yanlord also develops high-end commercial and integrated properties such as offices, serviced apartments and retail shops for sale in the People's Republic of China.

## PROPERTY MANAGEMENT SERVICES

Yanlord also provides property management services for its commercial and residential properties. While Yanlord places strong emphasis on maintaining the quality of its property developments, provision of excellent property management services has also enhanced the value of its brand equity, strengthened the recognition by its customers and protected the image of its developments. Yanlord believes that this business model preserves the value of its existing property developments and enhances its reputation as a responsible property developer.

## PROPERTY INVESTMENT AND HOTEL OPERATIONS

Since 2003, Yanlord has developed or acquired high-quality commercial and integrated properties for long-term recurring income generation and investment purpose, such as shopping malls, offices, serviced apartments and hotels. As part of its strategy to generate additional and recurrent revenue streams, Yanlord retains some of its commercial and integrated developments as investment properties for lease in order to maximise long-term benefits from the growth potential of the selected commercial property segments in key cities. Yanlord plans to build up a portfolio of investment properties selectively and progressively, while continuing to grow its core property development business.

## OTHER NON-PROPERTY BUSINESS

Through United Engineers Limited, the Group expands its footprint into various businesses internationally. With operations in Singapore and Malaysia, O'Connor's is a leading systems integrator offering security and surveillance, communication and technology, and healthcare and medical solutions to various sectors. Distribution division supplies architectural ceiling and partition, fire protection, concrete wall and cladding panel systems for the construction sector, laundry and boiler equipment for the hospitality sector, as well as workshop equipment and spare parts to the automotive sector. It also has a sand mining and ready-mix concrete business in Australia. Manufacturing division has established precision engineering and electronics manufacturing factories in the People's Republic of China and in United Kingdom serving customers internationally. In United States, Speedling operates greenhouses supplying vegetable and ornamental seedlings and horticultural products.







# KEY HIGHLIGHTS

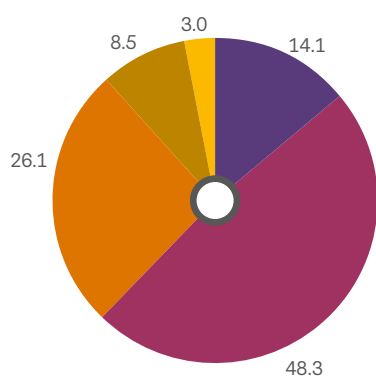
Financial year ended December 31, 2022

## KEY NUMBERS

Total property contracted pre-sales <sup>1</sup> (RMB billion)	68.091
Total property contracted pre-sales <sup>1</sup> in terms of gross floor area ("GFA") (million sqm)	1.4
Total contracted average selling price <sup>1</sup> (RMB/sqm)	47,498
Total accumulated property contracted pre-sales amount pending recognition <sup>1,2</sup> (RMB billion)	101.596
Total accumulated property contracted pre-sales GFA pending recognition <sup>1,2</sup> (million sqm)	2.6
Total revenue (RMB billion)	28.712
Gross profit margin (%)	27.0
Profit attributable to owners of the Company (RMB billion)	1.533
Total assets <sup>2</sup> (RMB billion)	189.066
Cash and cash equivalents <sup>2</sup> (RMB billion)	20.696
Net debt <sup>2</sup> (RMB billion)	24.717
Net gearing ratio <sup>2</sup> (%)	54.5
Average cost of borrowings (%)	5.0
Net asset value per share <sup>2</sup> (RMB)	18.10
Net asset value per share (equivalent to S\$) <sup>2,3</sup>	3.49

### LANDBANK DISTRIBUTION IN PRC\* AND SINGAPORE<sup>1,2</sup>

(%)

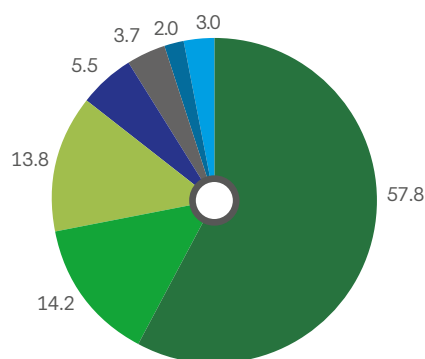


- PRC Tier 1
- PRC New Tier 1
- PRC Tier 2
- PRC Tier 3
- Singapore

\* Cities are classified based on the list of tiered PRC cities on baike.baidu.com

### LANDBANK DISTRIBUTION IN PRC AND SINGAPORE<sup>1,2</sup>

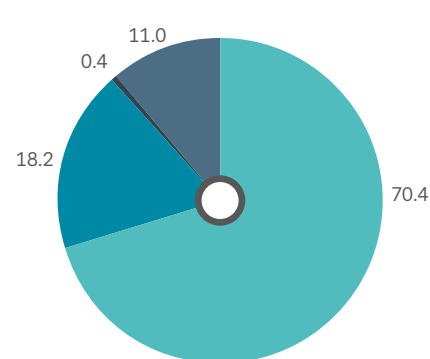
(%)



- Yangtze River Delta
- Greater Bay Area
- Bohai Rim
- Hainan
- Western China
- Central China
- Singapore

### SEGMENT ASSET DISTRIBUTION OF THE GROUP<sup>2</sup>

(%)



- Property development
- Property investment and hotel operations
- Property management
- Others

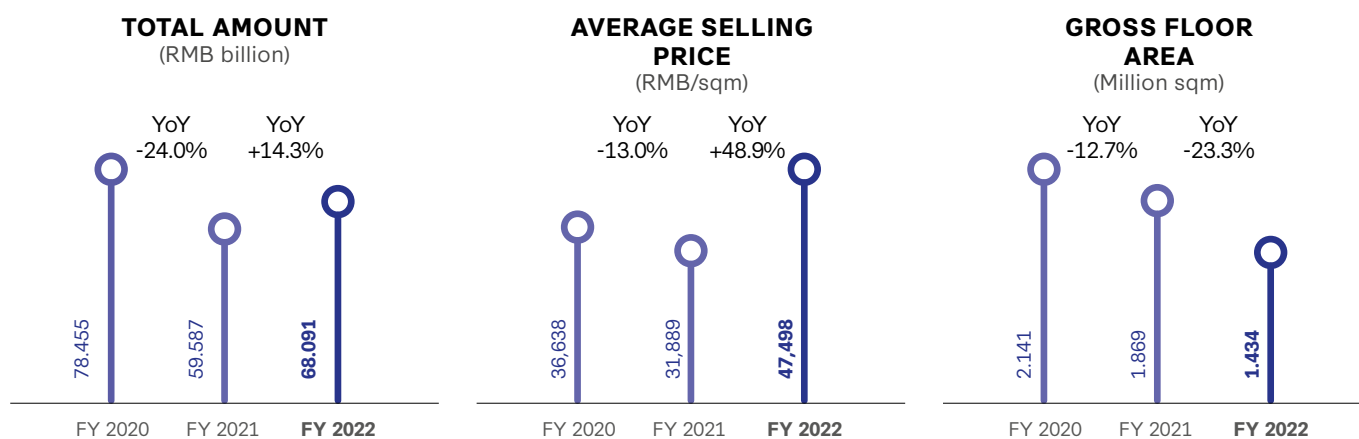
#### Notes:

<sup>1</sup> Including numbers of the Group together with its joint ventures and associates

<sup>2</sup> As at December 31, 2022

<sup>3</sup> The equivalent in S\$ was calculated at an exchange rate of S\$1: RMB5.1831



PROPERTY CONTRACTED PRE-SALES<sup>1</sup>

## SEGMENT REVENUE DISTRIBUTION



## Notes:

<sup>1</sup> Including numbers of the Group together with its joint ventures and associates

<sup>2</sup> In this page, FY means financial year ended December 31 and YoY means year-on-year



Yanlord Arcadia, Shanghai, PRC  
仁恒海上源, 上海, 中国

## MAJOR LAUNCHES OF PROPERTY CONTRACTED PRE-SALES IN SHANGHAI IN 2022



Suhe Century, Shanghai, PRC  
晋元华庭, 上海, 中国







The Oasis Mansion, Shanghai, PRC  
天悦雅园, 上海, 中国

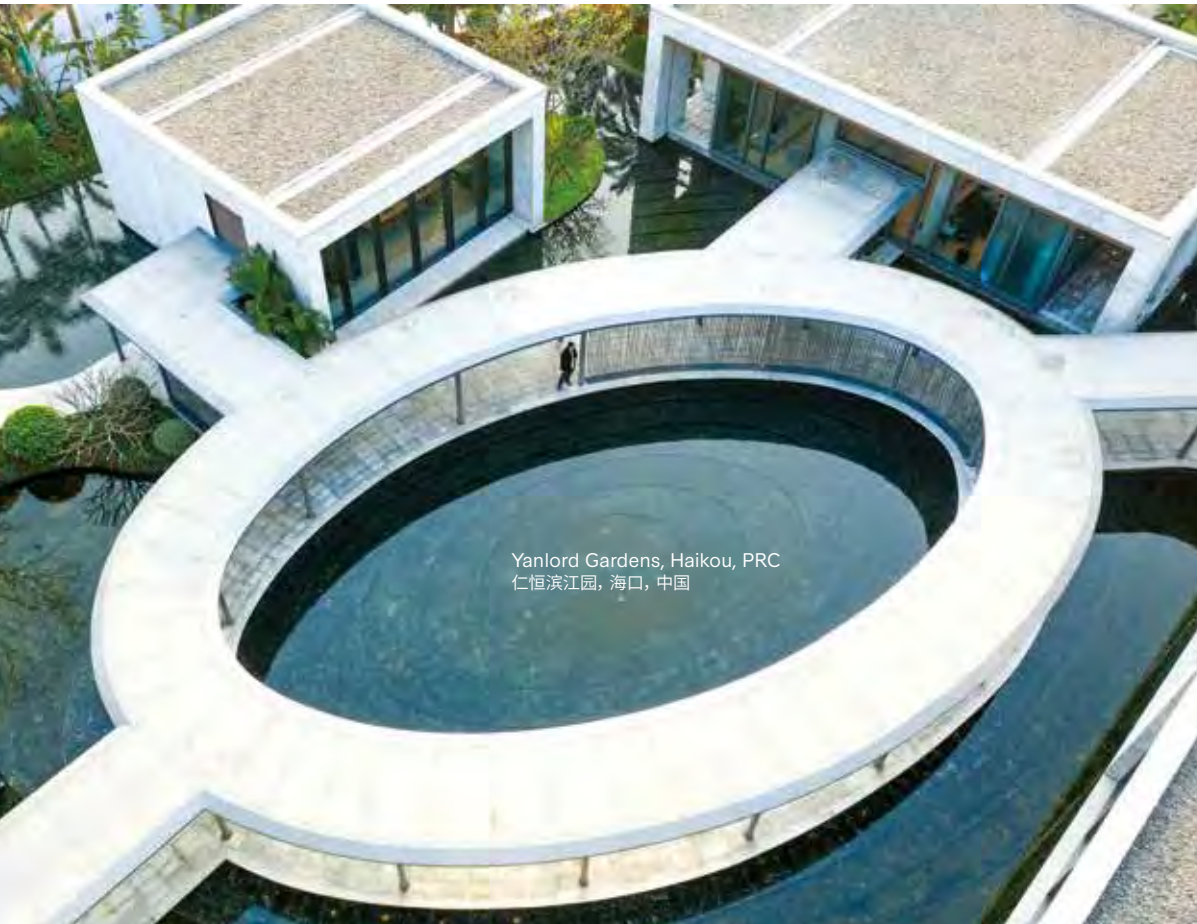


Moons Villa, Shanghai, PRC  
仁恒·海明园, 上海, 中国

Poetic Villa, Shanghai, PRC  
荟雅华庭, 上海, 中国







Yanlord Gardens, Haikou, PRC  
仁恒滨江园, 海口, 中国

MAJOR LAUNCHES OF PROPERTY  
CONTRACTED PRE-SALES IN  
OTHER CITIES IN 2022



Majestic Mansion, Wuxi, PRC  
海和清舒院, 无锡, 中国





Central Lake, Wuxi, PRC  
星湖雅园, 无锡, 中国



Lantern, Suzhou, PRC  
澜庭, 苏州, 中国



Star Century, Tianjin, PRC  
恒美雅苑, 天津, 中国



Yanlord PRELAND, Suzhou, PRC  
仁恒•叙澜庭, 苏州, 中国



Yanlord Four Seasons The Park 3, Shenzhen, PRC  
四季雅园, 深圳, 中国





# CHAIRMAN'S STATEMENT

## Dear Shareholders,

2022 was a tumultuous year defined by challenges and disruptions brought about by the lingering COVID-19 epidemic, interest rate hikes and a volatile geopolitical environment. The confluence of the abovementioned and other factors, including the fallout arising from mass large-scale and mid-scale real estate developers defaulting on their debt obligations, demographic changes, stringent epidemic control measures and slower economic growth, led to the real estate industry in the People's Republic of China ("PRC") experiencing its first recession ever since it embarked on the nationwide housing reforms. Key indicators such as government land sales, housing sales transaction, floor areas of new launched and completed property projects have all reported substantial decline. Some real estate developers were facing insolvency or even failed to deliver properties on schedule, resulting in an in-depth regularisation in demand and supply of the real estate market.

It was only towards the end of 2022, the PRC government reaffirmed the importance of the real estate industry by putting in place a series of incentive policies to encourage real estate investment and financing as well as to spur domestic consumption.

As I pen this letter to close out the financial year of Yanlord Land Group Limited ("Company" and together with its subsidiaries, "Yanlord" or "Group") ended December 31, 2022 ("FY 2022"), I would like to take this opportunity to share on how the Group navigating through this period of complexity and change.

**AMIDST THE OVERALL CRISIS FACED BY THE REAL ESTATE INDUSTRY, REGIONAL DIFFERENTIATIONS HAVE BECOME MORE PRONOUNCED; IT IS ONLY THROUGH REASONABLE REGIONAL-FOCUSED STRATEGIES, COMPLEMENTED BY STRONG DEVELOPMENT AND OPERATION CAPABILITIES, COULD INDUSTRY PLAYERS STAND TO SURVIVE AND THRIVE AGAINST ADVERSITY**

The PRC real estate industry was in a recessionary phase, where in 2022, housing sales transaction in third and fourth-tier cities shrunk; while first and second-tier cities saw a divergence in

performance. This had impacted some of the cities in which Yanlord is operating in, specifically, the Group's projects in Tianjin and Shenzhen fell below the Group's investment expectations.

Notwithstanding the predicament faced by the real estate industry, the market in the Yangtze River Delta region, where Yanlord is strategically positioned, remains healthy. The Group's projects in Shanghai, Suzhou and Wuxi, among others, have withstood the prevailing market downturn and were still favored by customers, contributing to contracted pre-sales growth for the Group. The Group's long-term strategy of focusing on Yangtze River Delta has been a formidable cornerstone of its performance and liquidity, the Group together with its joint ventures and associates recorded total contracted property pre-sales of RMB68.091 billion for FY 2022, representing an increase of 14.3% year-on-year.

In particular, the Board of Directors of the Company ("Board") are pleased that despite the stringent epidemic control measures implemented in the PRC in 2022, the Group achieved a commendable pre-sales performance and maintain on-schedule construction progress of the property developments across multiple cities in the PRC. This was particularly noteworthy in Shanghai which were lockdown for two months, during which period Yanlord's project development team was able to mobilise resources and realise the smooth construction progress of projects, successfully launching various projects in Shanghai for pre-sales, all of which achieved a 100% sellout on their respective launch dates. The newly established Wuxi project had also garnered better sales and positive market reputation compared to competing projects. Yanlord's strong execution and management capabilities in grasping market opportunities was a key factor to its success.

Yanlord's residential projects in Singapore also delivered a satisfactory performance, with a total contracted pre-sales contribution of approximately SGD637 million (equivalent to approximately RMB3.1 billion) for FY 2022. Apartments of Dairy Farm Residences have been fully sold and are expected to be handed over to customers in the coming years.



**RMB68.091  
billion**

Total contracted  
property pre-sales

In FY 2022, the Group together with its joint ventures and associates successfully delivered residential and commercial units on a total gross floor area ("GFA") of 1.72 million square metres ("sqm") and 10,113 car park lots to its customers as scheduled, a decrease of 16.3% and 3.8% year-on-year respectively, while average selling price increased by 18.2% year-on-year to RMB36,348 per sqm. The total gross revenue from property sales recognised for FY 2022 was RMB64.323 billion, representing a marginal decrease of 1.2% compared to last year, of which, RMB24.501 billion was recognised as the Group's revenue.

### **HIGH-QUALITY INVESTMENT PROPERTIES WITH STABLE RECURRING INCOME ARE CRUCIAL FOR THE GROUP'S SUSTAINABLE DEVELOPMENT**

The Group's property investment and hotel operations contributed RMB1.322 billion to its revenue of FY 2022, of which, the income from property investment and hotel operations contributed by the Singapore portfolio saw a year-on-year increase of 11.3%. While income contribution from some of the Group's investment properties in PRC were affected by the stringent epidemic control measures implemented over the course of 2022, benefiting from the re-opening of Yanlord Riverside Plaza in Tianjin in 2021, the Group was nevertheless able to report a marginal growth of 1.3% in income from property investment and hotel operations. Against a backdrop of downturn in the tourism and retail industries under the epidemic control measures, the performance of the Group's property investment and hotel operations was satisfactory. Income attributable to property management services, another business segment of the Group, was RMB999 million in FY 2022, representing a year-on-year increase of 6.4%.

In addition, Yanlord has also been invited by local government-linked enterprises to manage and develop residential projects under the "Yanlord" brand name in various cities. In FY 2022, the pre-sales of such property development projects, which the Group will be able to derive project management and branding fees from, reached RMB9.6 billion.

### **PRUDENT DEVELOPMENT AND STRINGENT FINANCIAL MANAGEMENT AMIDST MARKET UNCERTAINTIES**

In 2022, the PRC real estate market saw weak investments from developers on land acquisitions, resulting in close to a 50% decrease in government land sales both by transacted floor area and value compared to the preceding year. The ongoing debt restructuring efforts by some developers may take some time to resolve, and home buyers have yet to regain confidence. Against such intensely challenging backdrop, Yanlord, leveraging on its strong brand equity, expanded its cooperation with capable enterprises through its "small equity investment and project management" model. On the premise of maintaining a stable financial position and adequate liquidity, the Group took measured steps to replenish its landbank in the Yangtze River Delta region. In addition to the awarded tender for Lantor Central residential site in Singapore, the Group acquired nine additional projects in PRC with a total GFA of approximately 1.53 million sqm in 2022.

Yanlord has been managing its financial and liquidity prudently, backed by healthy pre-sales and good payment collections. As at December 31, 2022, the Group's total assets increased by 22.4% to RMB189.066 billion compared to that of December 31, 2021; cash and cash equivalents was RMB20.696 billion with net gearing ratio of 54.5%.



## OUTLOOK

Towards the end of 2022, the PRC government launched a series of policy adjustments aimed at stimulating housing sales, facilitating corporate financing, with the objective of uplifting the real estate sector out of its current predicament. These policy adjustments came at a time when several years of epidemic control measures were being lifted, and economic development is again a key priority for the country.

There are several key factors to consider when evaluating the future direction of PRC's economy and the development trend of the real estate industry, of which, the Group believe it can be premised on the following:

First, the PRC remains the second largest economy in the world, which itself has a huge domestic market demand and strength in economic development. Take the performance of Yanlord's Crowne Plaza Resort Hotel in Haitang Bay, Sanya as an example, in July 2022, where there were no domestic travel restrictions, the hotel recorded the highest single-month income of RMB42 million. In the following months, hotel sales declined significantly due to the impact of the epidemic control measures. But in January 2023, with the strong recovery of tourism after the lifting of epidemic control measures, the hotel operations yet again set a fresh record with monthly income reaching RMB49 million. Such rebound phenomenon has been evident in multiple fields. The Group believes the PRC is poised for its economic recovery momentum.

Second, the PRC's urbanisation is well underway. Moreover, with the development of industries, the improvement of the public transportation network and the promotion of oldtown redevelopment, the urban areas among these cities are still in the process of further optimisation. The cities that Yanlord invested in are all of economic pertinence, where industrial upgrading attracts population and creates promising housing demand and domestic consumption.

Third, after sustaining this round of market turbulence in the real estate sector, relevant stakeholders will evolve to becoming more mature and resilient, with a new stable market environment conducive for growth of long-term players like Yanlord. It is believed that some well-qualified enterprises can gradually recover with the help of the stimulus policies, and the real estate market will rejuvenate.

Yanlord is a firm long-term player. In a stable and predictable market environment, its competitive advantages will continue to shine.

As at December 31, 2022, the accumulated property contracted pre-sales of the Group together with its joint ventures and associates was RMB101.596 billion on a total GFA of 2.60 million sqm, which are pending recognition in the first half of financial year ending December 31, 2023 and beyond.

Barring any significant deterioration in the global economy and any other unforeseen circumstances, the Board is cautiously optimistic about the Group's performance for the next reporting period and the next 12 months from the last reporting period based on the number of pre-sale units to-date, construction progress and delivery schedule.

## DIVIDEND

In line with the Group's prudent financial policies, the Board decided to retain the earnings of FY 2022 to cope with future business development and operations needs and is not proposing to declare a dividend for FY 2022. This will serve to further augment the Group's financial flexibility and enable it to better mitigate any uncertainty posed by the economic environment.

## IN APPRECIATION

The management and I would like to express our appreciation to all our customers, business associates, employees and shareholders for their trust and continued support; and to the Directors for their guidance and contribution to steer the Group through yet another challenging year.

Looking ahead, Yanlord will continue to build on its proven business strategies and strive to increase shareholder value through better operational and financial performance.

### Zhong Sheng Jian

Chairman and Chief Executive Officer

# 主席致辞

尽管中国于2022年严格实行防疫封控措施，但集团仍取得了可喜的预售表现，并在中国多个城市的物业发展保持如期建设进度。



## 尊敬的各位股东：

2022年极不寻常，持续的疫情和加息及紧张的地缘政治，令全球经济遭遇挑战。在大量大、中型地产发展商债务违约影响信贷环境、人口结构变化、严厉的疫情防控、经济增长放缓等多重因素的叠加之下，中国房地产行业陷入全面市场化改革后的首次衰退。政府土地出让、房屋成交量、新开工及竣工面积等关键指标均出现大幅下降。部分地产发展商无力偿债，甚至无法按期交楼，造成地产市场供求变化的深度调整。直至2022年末，中国政府再次肯定地产行业的重要地位，出台一系列政策鼓励地产投资及融资和本地消费。本人愿借提报仁恒置地集团有限公司（“公司”连同其子公司，“仁恒”或“集团”）截至2022年12月31日的财政年度（“2022财年”）业绩的机会，与诸位分享集团是如何在如此复杂多变的环境下生存发展的。

## 房地产行业整体危机之下，地区分化愈加显著，唯有合理的区域性布局，辅以强大的开发经营能力，才能逆境求生

中国房地产行业陷入衰退，在2022年，三、四线城市的房屋成交量遭受萎缩，而一、二线城市的表现出现分化。这对部分仁恒开展业务的城市造成影响，尤其，位于天津与深圳两地的项目未能达到集团的投资预期。

尽管房地产行业面临困难，仁恒重仓的长三角地区市场保持健康。集团位于上海、苏州以及无锡等地的项目经受住市场低迷且依然受到消费者青睐，这促成了集团合约预售逆势增长。集团长期秉持的聚焦长三角战略成为其业绩和现金流的强大基石，集团连同其共同控制实体及联营公司2022财年的总物业合约预售金额达人民币680.91亿元，按年同比上升14.3%。

尤其令公司董事会（“董事会”）感到欣慰的是，尽管中国于2022年严格实行防疫封控措施，但集团仍取得了可喜的预售表现，并在中国多个城市的物业发展保持如期建设进度。尤其值得关注的是，上海更是全城静默达两个月之久，仁恒项目开发团队能够在封控间隙中组织资源、优化工程进度，实现多个项目开发的平稳推进，均所有项目开盘即罄。首入无锡的团队亦取得了优于竞品

的业绩和市场口碑，可见仁恒团队的执行管理能力亦是把握市场机遇的关键因素。

仁恒在新加坡的住宅项目表现理想，录得物业合约预售金额近新币6.37亿元（等值约人民币31.00亿元）的2022财年的销售贡献，岱莉轩的公寓已经全部销售完毕，预计将陆续在未来几年内交房。

在2022财年，集团连同其共同控制实体及联营公司成功如期交付住宅及商业发展物业总建筑面积达172万平方米及10,113个车位，按年分别下降16.3%及3.8%，而交付平均销售价格按年上升18.2%至每平方米人民币36,348元。2022财年的物业销售总收入达人民币643.23亿元，按年轻微下降1.2%，其中，人民币245.01亿元确认为集团收入。

## 优质的投资物业，稳定的经营性收入是集团可持续发展的重要保障

集团的物业投资及酒店营运为其2022财年的收入贡献了人民币13.22亿元，其中来自新加坡的物业投资及酒店营运收入同比增长11.3%。虽然集团部分位于中国的投资物业的租金收入受到2022年内实施的疫情防控措施的影响，但得益于天津仁恒海河广场在2021年重新开业带动，集团物业投资及酒店运营收入仍录得轻微1.3%增长。考虑到疫情之下旅游、零售行业整体低迷，集团的物业投资及酒店营运的表现已是不俗。集团另一业务板块——物业管理在去年的收入为人民币9.99亿元，按年上升6.4%。

此外，仁恒各地成员企业还屡屡被所在城市政府关联企业聘请，承建以“仁恒”冠名的住宅项目。此类代建项目2022财年的预售金额达人民币96亿元，集团将从中提取管理费及品牌费。

## 在市场仍存在诸多不确定性之时，谨慎发展和严格的财务管理

2022年，中国房地产市场开发商拿地意愿薄弱，导致政府土地成交面积与金额同比上一年下降近一半。考虑到一些地产企业的债





务重组需要时间处理,购房者的信心仍未全面恢复,在现阶段仁恒将凭借品牌优势,以“小股操盘及代建”模式扩大与实力企业的合作,在持续保持稳健财务及充足的流动性的前提下,集团适度补充在长三角地区的土地储备。2022年,集团除了在新加坡中标了Lentor Central项目以外,在中国共获取9个新项目共计土地储备约153万平方米建筑面积。

仁恒始终保持稳健审慎财务及流动性管理,良好的销售及回款。截至2022年12月31日,集团总资产达人民币1,890.66亿元,相较于2021年12月31日上升22.4%;现金及现金等价物达人民币206.96亿元,净负债率是54.5%。

## 前景展望

2022年年底,中国政府通过一系列政策调整,以刺激住宅销售、易于企业融资,期望房地产业能够因此走出困境。随后,连续数年的疫情管控也退出,拼经济成为举国共识。如何判断未来中国经济的走向,乃至房地产的发展趋势,集团认为需基于以下几个事实:

第一、中国是世界第二大的经济体,本身蕴含了庞大的市场需求和发展动力。以仁恒位于三亚海棠湾的皇冠假日度假酒店的表现为例,去年7月,当国内人员流动不受限制之时,酒店创下了单月营收之最,收入达人民币4,200万元。在随后几个月,酒店销售受防疫封控影响而明显下滑。但在2023年1月,随着疫情防控解除后旅游复苏,酒店营运再度刷新营收纪录,月收入达人民币4,900万元。这类反弹现象已经出现在多个领域,集团相信中国经济活力能很快回归。

第二、中国的城市化仍在进行中。而且随着产业发展、公交网络的完善,以及旧城改造的推进,城市的空间格局还在进一步的优化过程中。仁恒所布局的城市均为经济重镇,产业提升吸引人口导入,未来住房及消费需求有保证。

第三、在经历了本轮地产市场洗礼后,相关各方变得更加成熟稳健,而一个稳定的市场环境将有利于长期主义者比如仁恒的成

长。相信在一部分资质良好的企业能在政策帮助下逐渐完成自我修复,地产市场也将重拾活力。

仁恒是坚定的长期主义者,在一个稳定可期的市场环境下,它的竞争优势将更加显著。

截至2022年12月31日,集团连同其共同控制实体及联营公司的累计物业合约预售额达人民币1,015.96亿元,总建筑面积约为260万平方米。这部分预售将陆续在截至2023年12月31日的首半年及以后被确认为营业收入。

短期之内,除非全球经济突然恶化或发生其他难以预见的情况,基于目前的预售情况、工程进度及交付时间表,董事会对集团下一个报告期及自上一个报告期的未来12个月的表现持谨慎乐观。

## 股息

鉴于集团一贯谨慎的财务政策,同时为了进一步提高集团面对经济环境所造成的不确定因素的灵活性,董事会决定保留2022财年的盈利,对2022财年不派发股息,用以应对日后业务发展及营运需要。

## 致谢

本人及管理层对我们所有的客户、合作伙伴、员工以及股东的信任和持续支持表示谢意,同时也要感谢董事们的指导和贡献,引导集团再次度过了充满挑战的一年。

展望未来,仁恒将继续以行之有效的商业战略为基础,努力通过更好的运营和财务表现来创造股东价值。

## 钟声坚

集团主席兼总裁





Park Avenue Rochester, Singapore  
柏薇(罗切斯特)酒店, 新加坡

## COMMERCIAL PROPERTY PORTFOLIO AND SERVICED APARTMENT IN SINGAPORE



UE BizHub CITY, Singapore  
UE 广场, 新加坡



Park Avenue Clemenceau, Singapore  
柏薇(克列孟梭)服务公寓, 新加坡



UE BizHub WEST, Singapore





UE BizHub TOWER, Singapore





NEW LAND  
ACQUISITIONS

# FORGING STRONGER

Nantong Rugao No. R2022036 Land, Nantong, PRC  
南通如皋R2022036号地块, 南通, 中国







Nantong Zhongchuang No. CR22006 Land, Nantong, PRC  
南通中创 No. CR22006号地块, 南通, 中国



Yanlord PRELAND, Suzhou, PRC  
仁恒·叙澜庭, 苏州, 中国

# PARTNERSHIPS



Riverside City, Jinan, PRC  
铁恒河滨园、铁恒河滨府, 济南, 中国

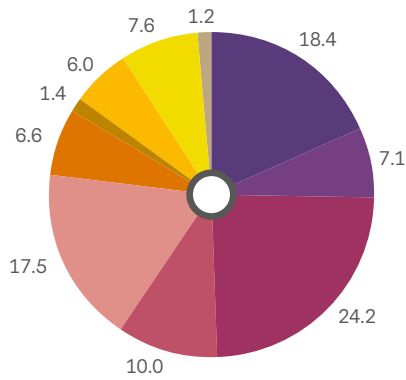
# OPERATIONAL HIGHLIGHTS

Financial year ended December 31, 2022

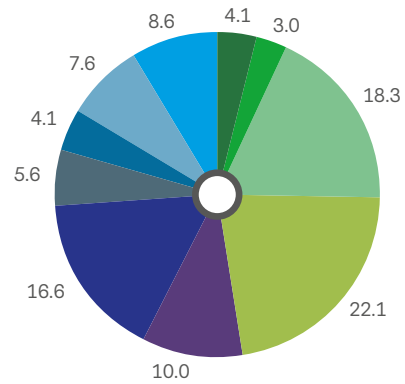
## PROPERTY SALES RECOGNISED AS REVENUE

IN FY 2022 (%)

BY CITY



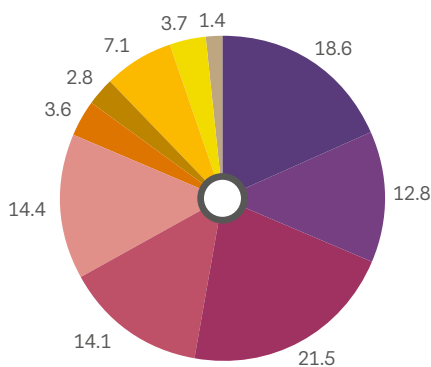
BY PROJECT



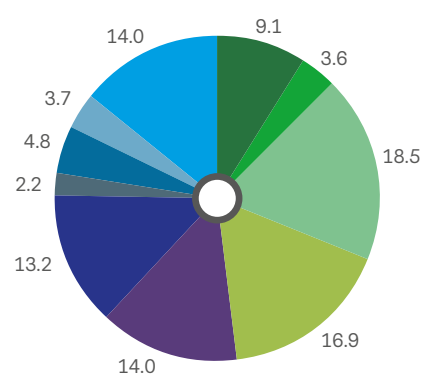
## GROSS FLOOR AREA RECOGNISED AS REVENUE

IN FY 2022 (%)

BY CITY



BY PROJECT



- Hangzhou
- Haikou
- Nanjing
- Nantong
- Shenzhen
- Suzhou
- Tianjin
- Zhuhai
- Singapore
- Others

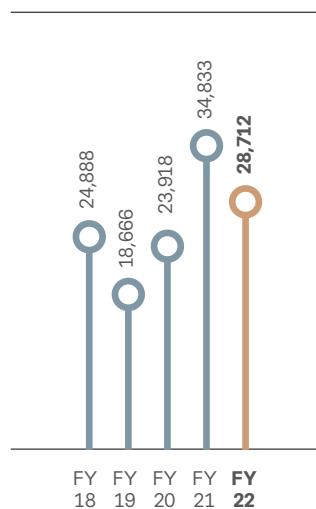
- Haikou Yanlord Begonia Park
- Haikou Yanlord Gardens
- Hangzhou The Corals
- Nanjing Riverbay Century Gardens
- Nantong Yanlord Gardens
- Shenzhen Yanlord Four Seasons New Gardens
- Suzhou Smriti Curtilage
- Zhuhai Yanlord Marina Peninsula Gardens
- Singapore Dairy Farm Residences
- Others



# FINANCIAL HIGHLIGHTS

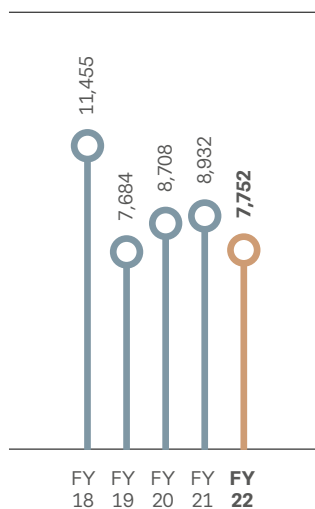
## REVENUE

(RMB million)



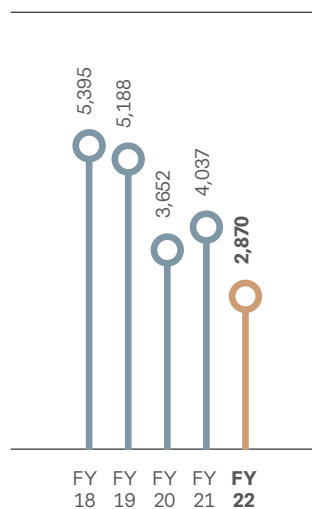
## GROSS PROFIT

(RMB million)



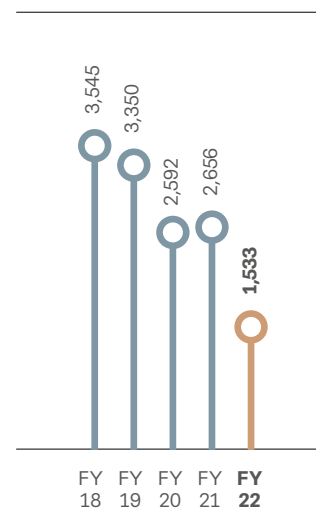
## PROFIT FOR THE YEAR

(RMB million)



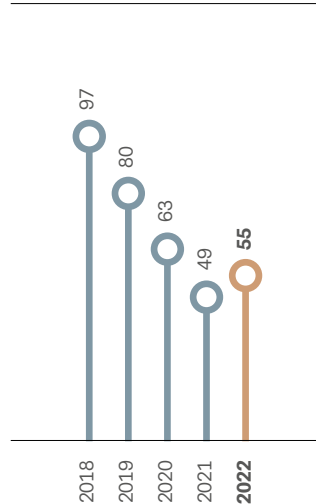
## PROFIT ATTRIBUTABLE TO OWNERS OF THE COMPANY

(RMB million)



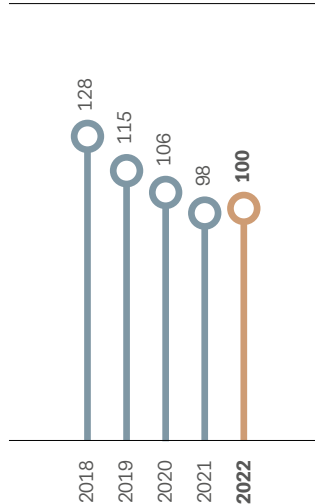
## NET DEBT / EQUITY<sup>1</sup>

(%)  
As at December 31



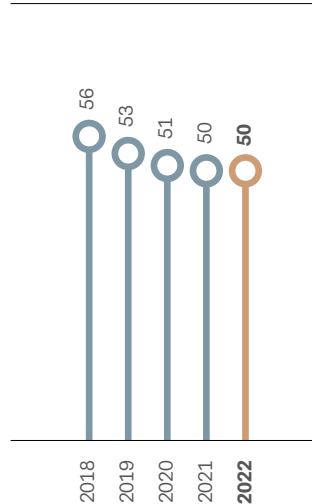
## TOTAL DEBT / EQUITY<sup>1</sup>

(%)  
As at December 31



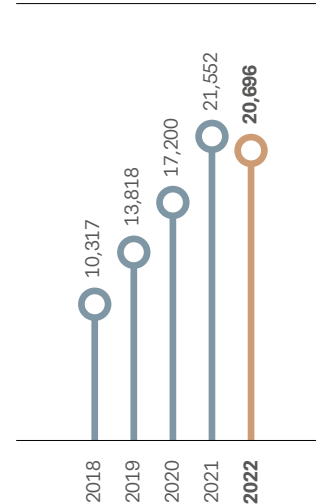
## TOTAL DEBT / CAPITALISATION<sup>2</sup>

(%)  
As at December 31



## CASH AND CASH EQUIVALENTS

(RMB million)  
As at December 31



### Notes:

<sup>1</sup> Equity = Equity attributable to owners of the Company + Non-controlling interests

<sup>2</sup> Capitalisation = Total debt + Equity attributable to owners of the Company + Non-controlling interests

<sup>3</sup> In this page, FY means financial year ended December 31



## OPERATION REVIEW

Yanlord Land Group Limited reported a revenue of RMB28.712 billion in FY 2022, of which, RMB24.723 billion was contributed from property development, RMB1.322 billion from property investment and hotel operations, RMB999 million from property management and the remaining RMB1.668 billion from other segments.

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### PROPERTY CONTRACTED PRE-SALES

2022 was a year shaped by a complex interplay of domestic and international factors, where the real estate industry in the People's Republic of China ("PRC") underwent great challenges. However, the public policy continued to uphold the principle of "houses are for living in, not for speculation" and the overall stability of the industry was maintained. The main objectives of such public policy are to stabilising market expectations and facilitating a soft landing for the real estate industry, to which localised policies have been implemented for different cities, personal loan requirements easing up and corporate refinancing opportunities have been progressively opening up for real estate companies.





Revenue for  
FY 2022

**RMB28.712  
billion**

From a regional perspective, regional differentiation has further intensified in 2022. The key first-tier cities, particularly Shanghai and Hangzhou, continue to enjoy more advantages comparatively. Yanlord Land Group Limited ("Company" and together with its subsidiaries, "Yanlord" or "Group"), benefiting from its long-term investments in the Yangtze River Delta region, has achieved satisfactory pre-sales results despite a difficult market environment.

Yanlord has been prioritising quality control and product upgrades, firmly grasping the trend of enhancing living standards in a post-pandemic era, with a dedication in creating value for its products and building brand equity. Even during the market downturn, Yanlord's sales performance for its upgraded residential projects remained resilient. Additionally, the Group continues to expand its property development project management business under the "Yanlord" brand name in the Yangtze River Delta and other regions to bolster Yanlord's brand influence in the related fields.

In the first half of the financial year ended December 31, 2022 ("FY 2022"), the property contracted pre-sales of the Group together with its joint ventures and associates was RMB31.394 billion, representing an increase of 9.5% compared with the first half of the financial year ended December 31, 2021 ("FY 2021"). Despite a challenging and difficult environment

in 2022 as well as the continued epidemic control measures in many cities, the Group launched multiple projects in Shanghai and Suzhou, including new batches of Yanlord Arcadia in Shanghai and Lantern in Suzhou. All of the abovementioned launches were sold out on their respective launching dates. In Wuxi, a city the Group made its first foray into in 2021, leveraging on Yanlord's strong brand equity and commitment to high-quality residences and services, the pre-sales of Majestic Mansion exceeded the target set during its inaugural launch and the pre-sales of Central Lake also outperformed its peer projects in the same market segment.

Thanks to the long-term investment strategy in the Yangtze River Delta region, the Group continued to steadily launch new projects for pre-sales in the second half of FY 2022. The property contracted pre-sales of the Group together with its joint ventures and associates for the second half of FY 2022 was RMB36.697 billion, representing an increase of 18.7% compared to the second half of FY 2021.

For FY 2022, the Group together with its joint ventures and associates' total contracted pre-sales from residential, commercial units and car parks was approximately RMB68.091 billion, on total contracted gross floor area ("GFA") of 1.43 million square metres ("sqm"), representing an increase of 14.3% and a decrease of 23.3% respectively compared to the corresponding period in FY 2021. The average selling price ("ASP") of property contracted pre-sale for FY 2022 reached a record high of RMB47,498 per sqm, a substantial increase of 48.9% compared to FY 2021, mainly due to the change in the composition of product-mix being pre-sold. Of which, property contracted pre-sales in the Yangtze River Delta region and Singapore contributed 80.9% and 4.5% to the total property contracted pre-sales of the Group together with its joint ventures and associates in FY 2022, compared to 62.5% and 7.3% respectively in FY 2021.

In addition, the Group continued to make good progress in its project management business. In FY 2022, the total contracted pre-sales of other property development projects under the Group's project management business bearing the "Yanlord" brand name was approximately RMB9.600 billion on contracted GFA of 180,696 sqm. Together with the contracted pre-sales of other property development projects under the Group's project management business bearing the "Yanlord" brand name, the total property contracted pre-sales for FY 2022 was RMB77.691 billion.

As at December 31, 2022, the Group together with its joint ventures and associates recorded an accumulated property contracted pre-sales of RMB101.596 billion on a total contracted GFA of approximately 2.6 million sqm, which are pending recognition in the first half of financial year ending December 31, 2023 and beyond.

## PROJECT DEVELOPMENT

Notwithstanding the strict epidemic control measures implemented in the PRC in 2022, which also resulted in a 2-month lockdown in Shanghai, Yanlord's project development team was able to efficiently mobilise resources and optimise the construction progress of projects, enabling the Group to successfully launch various projects in many cities across the PRC for pre-sales. In line with local authorities' guidance, the Group's project management teams adopted a series of effective measures and managed to keep the impact of the pandemic on each project development under control, enabling the timely completion, launch and delivery of the Group's projects in FY 2022 as scheduled.

For FY 2022, the Group together with its joint ventures and associates delivered a total GFA of 1.72 million sqm of properties and 10,113 car park lots to the customers, a decrease of 16.3% and 3.8% respectively compared to FY 2021. The total gross revenue from property sales recognised in FY 2022 was RMB64.323 billion, 1.2% lower than that of FY 2021, of which, RMB24.501 billion was recognised as gross revenue of the Group and RMB39.822 billion was recognised as gross revenue of the joint ventures and associates. The ASP of the property sales recognised in FY 2022 was RMB36,348 per sqm, representing an increase of 18.2% compared to FY 2021, mainly due to a change in the composition of projects delivered. Of which, property sales recognised in the Yangtze River Delta region contributed 74.0% to the total properties delivered by the Group together with its joint ventures and associates in FY 2022, compared to 53.0% in FY 2021.

The projects delivered to customers by the Group together with its joint ventures and associates in FY 2022 mainly included Riverbay Century Gardens and Majestive Mansion in Nanjing, The Corals in Hangzhou, Yanlord Four Seasons New Gardens in Shenzhen, Yanlord Gardens (Phase 3) in Nantong, Smriti Curtilage



Tang Song, Wuxi, PRC  
山棠雅园, 无锡, 中国

in Suzhou, Yanlord Begonia Park (Phase 2) and Yanlord Gardens (Phase 1) in Haikou, Yanlord Marina Peninsula Gardens (Phase 2) in Zhuhai and other projects in the PRC.

In FY 2022, the Group together with its joint ventures and associates commenced construction works on a total GFA of over 1.84 million sqm across 10 projects, of which, including Hangzhou Bay Commercial Land Parcels - Commercial Complex in Hangzhou; Riverside City in Jinan; Nanjing Jiangbei New District No. G10 Land in Nanjing; Yanlord PRELAND (Phase 1 and 2) in Suzhou; Tangshan Nanhu Eco-City - Land Parcel A11 in Tangshan; Marina One and Tang Song in Wuxi; Yanlord The Mansion in Park in Yancheng; Park in City in Yangzhou; and Four Seasons Park (Phase 2) in Zhongshan, in the PRC.





Leveraging on its brand equity and leading product competitive strength, Yanlord expanded its cooperation with PRC state-owned enterprises, city government investment enterprises and competitive private enterprises through its “small equity investment and project management” model.

As of December 31, 2022, the Group together with its joint ventures and associates had a total GFA under development of approximately 6.06 million sqm.

In 2022, the Group continued to optimise and improve the evaluation priority of its third-party quality monitoring program by further strengthening quality and safety risks control, while promoting customers’ satisfaction and maintaining its industry-leading standards.

The Group was conferred many awards for its engineering excellence in FY 2022, notably the “Green Construction Category 1 Award and Green Construction Development Project Award” awarded to Yanlord Arcadia in Shanghai; “2022 Residential Construction Sliver Award” awarded to The Oasis Mansion in Shanghai; “2022 China Civil Engineering Zhan Tianyou Award for Outstanding Residential Community Gold Award” awarded to Riverbay Gardens in Suzhou; “Hainan Province Construction Engineering Quality Structural Evaluation Award” awarded to Yanlord Begonia Park in Haikou, the PRC and etc.

## LAND ACQUISITIONS AND LANDBANK

In 2022, amid the impact of the pandemic and the overall economic environment, the performance of the PRC’s real estate market was generally sluggish with some real estate companies defaulting on debt repayments and the national land market was weakening, whereby real estate companies were generally cautious on landbank expansion and more reluctant to acquire land. In 2022, as a result of these market changes, by leveraging on its brand equity and leading product competitive strength, Yanlord adopted a prudent investment strategy through its “small equity investment and project management” model by which, Yanlord expanded its cooperation with the PRC state-owned enterprises, city government investment enterprises and competitive private enterprises. This strategy enabled the Group to maintain its development scale and leverage on the capability of its experienced management team for the long-term development of Yanlord’s products and brand influence in the market. On the premise of maintaining a stable financial position and adequate liquidity, the Group took measured steps to replenish its landbank in the Yangtze River Delta region. In FY 2022, in addition to the awarded tender for Lenton Central residential site in Singapore, the Group acquired 9 additional projects in the PRC on a total GFA of approximately 1.57 million sqm for a total land cost of approximately RMB20.236 billion, of which approximately RMB1.940 billion was attributable to the Group. The newly acquired projects are mainly distributed in key cities such as Nanjing, Suzhou, Nantong, Wuxi and Jinan in the PRC as well as Singapore. At the same time, the Group also obtained another 10 property development projects under the Group’s project management business bearing the “Yanlord” brand name in major cities of the PRC.

As a whole, the Group maintained its prudent landbank replenishment strategy in FY 2022, with a strategic focus on replenishing its landbank in the major cities in Yangtze River Delta region during the market downturn through its “small equity investment and project management” model. As of December 31, 2022, the total GFA of the landbank of the Group together with its joint ventures and associates was approximately 9.46 million sqm. Looking forward, Yanlord will continue to increase its penetration into key first and second-tier cities, and to maintain its competitive advantage in the industry and market reputation with professional development capabilities and prudent investment management.

### PRODUCT RESEARCH AND DEVELOPMENT

Yanlord remains committed to its corporate philosophy of “developing land with devotion, building quality accommodation with passion” where quality remains priority and integral to Yanlord’s corporate DNA. The Group prioritises research and development (“R&D”) to strengthen its platform construction, enabling it to further refine its project design management across the entire development cycle, from feasibility study to project development and post-completion evaluation. This enables Yanlord to deliver premium quality products to key selected cities and regions as well as to serve the local high-end market, of which, including to further expand to mature developed cities through new projects acquired in Nanjing, Suzhou, Wuxi and Jinan in 2022.

In correspondence with the attributes of the cooperation and project management business of newly acquired projects with a goal to ensure quality and control risks, the Group’s R&D department, based on the management system established in 2021 and the in-used project-specific R&D management platform, completed the development of a R&D visualisation platform framework in 2022. The framework enables local companies to quickly configure products before and after investment, and delivers Yanlord’s product standards and product genes at the beginning.

Yanlord prioritises customer satisfaction and values customer feedback. In 2022, the Group’s R&D and customer relations departments collected customer feedback during product launch, product delivery as well as daily operations, and analysed and categorised them into 5 areas, i.e. planning, construction, interior finishing, landscape design, and electrical and mechanical engineering. The



Total Gross  
Revenue From  
Property Sales

**RMB64.323  
billion**

collected information on customers’ concerns is transferred to R&D department, which will then constitute part of the requirements in examination of different product development stages to improve quality control as well as reducing implementation risk.

In 2022, the Group penetrated further in the Yangtze River Delta region of the PRC, while it continued to expand into multiple cities with diversified development types. There were 13 newly developed projects in Yangtze River Delta region, mainly through project management and adopted small equity investment and cooperation business model, to further penetrate the markets in Nantong, Yancheng and Yangzhou. At the same time, the Group has actively expanded into diversified development types, including urban redevelopment project namely, Yanlord The Great Bay in Zhuhai. Meanwhile, commercial projects such as Yanlord Community Centre in Haikou, Orchard Summer Palace - Retails in Shenyang successfully opened for business in 2022. Furthermore, Yanlord Reverie Plaza in Shenzhen also partially opened for business close to the end of 2022.

In 2022, a number of innovative projects were launched or presented, reflecting the continuous product innovation capabilities of the Group’s R&D department. Yanlord International Apartments in Nanjing and Orchard Summer





Palace - Serviced Apartments in Shenyang were landmark apartments with huge GFA; Majestic Mansion and Tang Song in Wuxi were low-density villa communities; Park In City in Yangzhou and Yanlord The Great Bay in Zhuhai each had a showcase area of nearly 20,000 sqm for their inaugural launch of pre-sales. The above innovative projects were well received by the market and highly recognised by customers. In addition, Riverbay Gardens in Suzhou won the 2022 China Civil Engineering Zhan Tianyuan Award for Excellent Residential Community Gold Award.

In response to the sustainable development goals such as energy conservation, emission reduction, low-carbon and environmental

preservation, Yanlord International Apartments in Nanjing further implemented Yanlord's first "Three Constant System", which includes constant temperature, constant humidity and constant oxygen in 2022. The newly acquired Nanjing Jiangbei New District No. G03 Land Parcel will first adopt system using water from nearby river to regulate room temperature inside the building. Lan Virtuoso and Riverside Gardens in Suzhou as well as Yanlord Central Lake in Taicang obtained China Green Building Two-Star Certifications in 2022. Nanjing No. 2016G84 Land - Land Parcel G introduced energy-saving consultants and proposed energy-saving design strategies such as photovoltaic power generation, solar and wind energy utilisation, rainwater recycling, and low-carbon operation, etc. This demonstrates the Group's continuing commitment to promote the concept of green building development in its operations.

In respect of its development in Singapore, the Group through its subsidiary together with Forsea Residence Pte. Ltd., a subsidiary of China Communications Construction Company Limited, and Soilbuild Group Holdings Ltd. were awarded a tender for a residential site at Lentor Central in September 2022 at a bid price of approximately S\$481 million. The land plot has a site area of approximately 144,714 square feet ("sqft") and a maximum permissible GFA of about 434,140 sqft. The development will consist of 474 residential units across three 22-storey towers with sky terraces on the 14th floor. Leveraging on its attractive attributes including its proximity to lush greenery, train station and retail amenities, the project is expected to be one of the quality residential developments in Singapore.

## CUSTOMER SERVICES

The Group's customer service system adheres to Yanlord's customer-oriented culture and focuses on its core philosophy. In the mean of successful implementation of business system and development, customer services team effectively realises the "Group-City" linkage and comprehensively covers the customer relationship-related services management in the cities where the Group has presence, and continues to play the coordinating role of customers relationship.

In terms of risk control and management, in 2022, the Group's customer relationship team took the lead in completing the joint risk inspection before the inaugural launch of pre-sales of 16 projects in 9 cities across the PRC, and supervised and guided the city companies' customer relationship teams to complete the risk self-inspection before the launch of pre-sales

of 29 ongoing selling projects, comprehensively reviewed product and sales risks, and eliminated hidden risks. Throughout 2022, a total of 101 secret customer service supervisions and inspections were carried out on 27 projects of the Group in 13 cities to continuously check for omissions and close the gaps, improve management and service levels, and enhance customer perception. The Group's customer relationship team has completed 36 business inspections throughout 2022, within 26 projects, and put forward a number of rectification suggestions on the quality of customer relationship business and the effect of risk control of the project to ensure the effectiveness of the implementation of customer relationships program.

In terms of organising property delivery, in 2022, the Group delivered a total of 34 batches, over 14,000 units of properties. The market downturn and stringent epidemic control measures had a huge impact to the operation and added management challenges. The Group's customer relationship team was fully involved in the project development progress to coordinate and organise works, from risk evaluation, product review, quality supervision, product pre-delivery quality inspection and rectification supervision to organising of construction site opening and product delivery as well as post-delivery maintenance management, enabling on-scheduled delivery and recognised customer satisfaction, further laying the foundation for the Yanlord brand.

In terms of service platform, the Group strengthened its relationship with customers through the CRM data system, the "400" customer service hotline and special research and communication program. In 2022, the CRM data system built by the Group has reached more than 80,000 customers throughout the year with total annual visits exceeded 1.9 million. The "400" customer service hotline has answered more than 4,500 call-in throughout the year and completed more than 60,000 call-back and communication with customers.

In terms of organisational development, the Group's customer relations department organised more than 10 cross-functional communications at Group level throughout the year of 2022, playing a role in the management and control of common problems, coordination and resolution of typical problems, sharing of customer relationship knowledge and connection between the frontline and back ends of operations, so as to enhance customer awareness of each function from the customer perspective, in order to further align Yanlord's products and services with the real needs of customers.



In July 2022, the Group's customer relations department released the "Customer Relationship Review Checklist", which put together the salient points, consolidated from the Group's past operation experience, that need to be paid attention to in the design stage, and generated a total of 132 points in the joint review checklist of customer relations, and implemented more than 200 key services connection and internal control points, achieved front-end control of customer concerns points, and eliminated risks from design phrase to a great extent.

The Group's customer relationship function focuses on customer satisfaction, and collects customers' perceptions and feedback on products and services through active visits to customers during projects' various life cycles to improve the Group's management and business operation as well as to continuously promote customer satisfaction and perception. In 2022, the Group scored 88 points in a third-party survey on customer satisfaction, an excellent level of achievement by industry standard.

In 2023, the Group's customer relationship will adapt to the new developments in the real estate market, quickly adjust its cognition and focus its work corresponding with the changes



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## PROPERTY INVESTMENT AND HOTEL OPERATIONS

In 2022, the rental income of the Group's commercial and office properties in the PRC continued to improve, mainly due to "Yanlord Isetan A Mall" in Tianjin was recording a full year of rental income in 2022 after its re-opening in September 2021 and the increase of occupancy rate of office building of Yanlord Marina Center in Zhuhai.

As of December 31, 2022, the overall average occupancy rate of commercial and office properties was 79%. Despite the resurgence of pandemic in PRC in 2022 which led to construction work and manpower challenges, Yanlord Community Centre of Yanlord Begonia Park in Haikou has successfully opened for business in the second half of 2022; Yanlord Reverie Plaza in Shenzhen also partially opened for business close to the end of 2022, achieving good opening performance in the local areas. Cangjie Commercial Plaza in Suzhou and the

renovation of Yanlord Landmark in Chengdu are scheduled for completion and open for business in 2023, which are expected to be benchmark projects of Yanlord's commercial segment. Commercial complex remains an important business to the Group, and it is the Group's plan to steadily increase the number of self-owned high-quality investment properties so as to increase its brand influence, achieve synergy between commercial property and residential developments, and further strengthening its competitiveness and increasing the growth in recurring income.

In 2022, due to the continuous recurrence of the pandemic and continuous tightening of pandemic control measures of local government from the beginning of the year and the eventual lifting of restrictions in December, the domestic tourism and hospitality industry were heavily affected. Although the annual operating income of the Group's hotel and serviced apartments was affected by the microenvironment, the performance still exceeded expectations for FY 2022. Of which, Crowne Plaza Resort Sanya Haitang Bay was affected by the pandemic in and outside of Sanya; however, in July 2022, it recorded approximately RMB42 million in revenue when there were no pandemic control measures in Sanya, setting a new single-month revenue record.

2022 is the first full year of operation of the Group's first self-operated hospitality brand – ParcVue Hotel Residence in Nanjing. Although it was inevitably affected by the strict pandemic control policies, the actual result of property performance was impressive for 2022, which laid a good start for Yanlord's self-operated hospitality brand in PRC market. At the same time, the Group is also actively planning the first "Viale" brand hotel in 2022. "Viale" is a new light luxury hospitality brand that will be launched in the PRC market after "Yanlord ParcVue". First "Viale" Hotel will be opened in Tianjin in 2023. Both "Yanlord ParcVue" and "Viale" hospitality brands are expected to grow in the PRC.

For the investment property portfolio in Singapore, the occupancy rates of offices at UE BizHub CITY and UE BizHub TOWER were above 90% whilst UE BizHub WEST achieved healthy committed occupancy rate. In October 2022, UE BizHub CENTRAL was sold to Apple Inc. for S\$55 million for a gain on disposal of S\$38 million. Leasing demand by info-communications and technology sector and co-working space remained strong despite soft economic outlook and record high interest rates. UE BizHub CITY and Rochester Mall recorded commendable occupancy rates of more than 95% with positive rental reversion.

Even as Singapore emerges out of the pandemic and with the government rolling back support measures, the Group provided timely support to its certain tenants with rent rebates in FY 2022.

Keeping in pace with governments across many parts of the world, Singapore opened its borders to international travel in 2022. The number of visitors to Singapore reached 6.3 million in 2022, exceeding the Singapore Tourism Board's (STB) forecast of between 4 million and 6 million visitors. Serviced apartments at Park Avenue Clemenceau and Park Avenue Robertson continued to perform well, with occupancy rates consistently maintained at above 85% mainly because of long-stay corporate leases, multi-national corporate groups and business travellers.

Park Avenue Changi Hotel continued to support the Singapore Government Quarantine program and recorded stable income and operating profit. Park Avenue Rochester hotel re-opened its door for business and leisure travellers in April 2022, achieving strong take-up with overall occupancy rates above 85%.

### PROPERTY MANAGEMENT SERVICES

In 2022, the PRC's domestic real estate market was under pressure and affected by the pandemic control measures. As a crucial link between the community and residents, Yanlord's property management business unit played an active role in response to the pandemic by swiftly organising and leading employees to protect the property owners. While preserving the availability of basic services, the team overcame shortage of manpower due to lockdowns and wide spread of the pandemic and cooperated with the government to deploy comprehensive control measures. The property management team also took on social responsibilities during the pandemic, including operation of three quarantine facilities requisitioned by the Shanghai government, accommodating more than 22,000 COVID-19 patients.

Faced with the severe situation of the pandemic and intense market competition, Yanlord's property management team focused on the various goals set at the beginning of 2022, adhered to quality, service capabilities, and continued to achieve various operational indicators effectively. As of December 31, 2022, Yanlord's property management has in total 126 projects under management and 48 contracted projects for future management, covering residential, commercial, office, integrated development, landscape management, public facilities, etc. Total contracted property



management area was approximately 29.17 million sqm, of which, approximately 21.17 million sqm was under management, serving over 100,000 households. In addition to maintain a steady growth in respect of projects delivery of the Group, the property management team continued to explore third-party projects by leveraging on Yanlord's property brand. Total contracted property management area with third-party properties was approximately 1.23 million sqm for FY 2022.

Yanlord's property management adheres to the service concept of "conscientious service, lifelong care". By continuously providing high-standard quality services, the Group is able to continuously create superior value for society, customers and employees, while maintaining a high-quality brand image. With the joint efforts of regional property management companies, the team won 103 awards in 2022, including 19 provincial level awards, 26 city level awards and 58 district level awards. Among which, 12 awards were attributed to contributions against the pandemic. This represents the government's recognition of the Group's efforts in social responsibilities.



**1.23 million sqm** Contracted area was signed with third-party for providing property management services

In 2023, Yanlord's property management team will closely align itself with the Group's strategic goals, focusing on 3 dimensions namely, quality improvement, profitability building and brand value enhancement, while further implementing various measures to improve service quality and operational efficiency.

### NON-PROPERTY BUSINESS OF UNITED ENGINEERS LIMITED GROUP IN OTHER COUNTRIES

Engineering Division, comprising O'Connor's Singapore and Malaysia, continued to focus on offering security, communications and smart solutions and services to its customers in public safety, oil & gas, financial and telecommunications, medical as well as commercial sectors.

In Singapore, O'Connor's continues to diversify its solutions business by offering 'Platform as A Service' (PAAS), augmenting its existing strength in the security, satellite communications and medical sectors. Order fulfilment for 2022 was impacted by supply chain bottlenecks and epidemic prevention and control policy. Nevertheless, O'Connor's managed to secure new projects from Defence Science and Technology Agency (DSTA), Government Technology Agency (GovTech), Singapore Police Force and Singapore Telecommunications Limited resulting in a healthy backlog moving into 2023.

O'Connor's Malaysia benefited from higher oil prices that jump-started oil & gas sector spending after a lethargic 2021, securing several sizable radio communications projects. As part of expansion plans, O'Connor's identified opportunities in cybersecurity and is rolling out 'Zero Tolerance Network Architecture' (ZTNA) solutions mainly to security-conscious customers such as government agencies and

large private sector businesses. The electronics and instrumentation business unit has an uptick in business activities towards the end of 2022 after the Malaysian government finalised their Telco 5G plans with roll-out expected in 2023.

The Group's distribution business performed relatively well in 2022 despite project delays due to pandemic controls, labour shortages and disruption to supply chains.

In Singapore, Welmate supplies building materials and solutions including fire retarding panels (Promat), extruded concrete wall panels (Acotec and AAC), external building claddings (Equitone) and high-end acoustic panels (Rockfon). The unit added a new product called Somon, which is a wall coating mainly for environmental wellness. Welmate won several large projects including Facebook and Google data centres. Far East Motors and Polytek Engineering won some significant projects such as the laundry system refresh at Grand Hyatt and several vehicle test lanes.

In Queensland, Australia, Pacific Silica achieved considerably better performance in 2022 than previous years as the second concrete batching plant in Caloundra commenced operations in late October and recorded steady sales driven mainly by strong demand of specialty dried sands supported by the bustling construction industry.

Manufacturing Division achieved mixed performance due to worldwide semiconductor shortage, material cost increases, labour shortages, the PRC's pandemic control as well as global supply chain disruptions delayed shipments of raw materials and components to customers, and dampened consumer consumption.

The Group's components businesses in the United Kingdom and PRC performed well because of their niche markets. By leveraging on its domain knowledge in connectors and ability to provide bespoke solutions, Cambion continued to grow its revenue through joint development of specialised electronics connection solutions with major customers such as Boeing, Lockheed-Martin, Leonardo and Thales. Cambion benefited significantly from investments to refresh the manufacturing equipment and process automation, resulting in improved quality, efficiencies and reduced wastage.

The PRC's electronics contract manufacturing secured strong orders from its key customer, Tyco. Operating under extremely challenging conditions brought about by pandemic control measures, the Group executed well to deliver the orders and continued its portfolio diversification, making inroads to acquire new customers thereby having a healthy mix of different types of products and customer segments.

The Group's precision engineering business in the PRC recorded lower revenue as its automotive industry customers continued to be affected by key component shortages, by pandemic control measures, war as well as the ongoing US-China trade war; which has resulted in businesses reluctant to expand their investments. Despite the revenue shortfall, the Group's strategy on automation, focus on quality and productivity improvements continued to drive operating costs down.

The Group's precision engineering factory in Johor, Malaysia started mass production in the fourth quarter of 2022 as labour shortage eased following the lifting of travel restriction by the Malaysian government. With strong orders from customers in the automotive sector, the Group achieved an accelerated ramp up in production volumes from the fourth quarter of 2022 with full capacity utilisation likely to achieve in 2023.

Speedling, which specialises in the supply of vegetable and ornamental seedling and horticultural products in the USA, faced a difficult operating environment caused by rising interest rates, energy and labour costs. Returning to profitability is expected to be achieved through focusing on higher margin products and continuous cost management measures.

## HUMAN RESOURCES

The Group views human resources as one of its most valuable strategic assets and a key contributor to the Group's sustainable development. In line with its mission statement of "managing with benevolence and integrity, achieving perpetuity through perseverance", the Group is devoted to developing land with devotion and treating its employees with trust and understanding, and respecting them as partners of the organisation. The Group offers opportunities for employees to develop their potential and to progress further in their careers, while creating a positive corporate culture to attract and retain talents for the Group's continuous development.

In 2022, the Group's recruitment, training and talent development functions continue

to operate in an orderly manner. The Group continues to offer professional and management learning platform for mid to senior management personnel to upgrade their skillsets and capabilities, while grooming talents to take on managerial roles within the Group.

In 2022, the Group also continued to refine the operation management of its business units, by strengthening the development of information systems, optimising technical and functional management, expanding human resources management and office administration system to achieve effective coordination among the organisation and human resources, thereby raising its overall operational efficiency and risk management capabilities.

In 2022, the Group proactively adjusted its organisational structure to become more intensive, flexible, and efficient in response to the current market conditions and future industry trends, with the purpose of maintaining better and longer-term development. The Group reorganised the management structure, building a more capable and efficient team.

To groom talent for the future, the Group also continued to strengthen executive training and optimise employee training, including project general managers, technical and professional team head and managers of various functions to create a talent pool. The establishment of in-house instructors foster a culture of knowledge sharing and continuous learning and facilitate the standardisation of work processes, ultimately improving the performance of the Group.

The Group continued to launch new learning courses through online learning platforms to strengthen communication and linkage between business lines, enhance the multi-functional capabilities of the staff, provide better coverage of employees' basic management knowledge, and meet the needs of employees for cross-line and cross-professional business learning. These learning courses are aimed at promoting continuous learning and professional training for the staff.

## CORPORATE FINANCE

In June 2022, a commercial mortgage-backed securities ("CMBS") in respect of the Yanlord Riverside Plaza in Tianjin was successful launched with an issue size of RMB1.215 billion to third parties for a 12-year tenor with a recurring 3-year renewable term, at an expected annualised interest of 4.1%. The issue rate was 71 basis points lower than the initial issue rate in 2019, which was one of the lowest issue rates in





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CMBS issued by private real estate developers in the past 2 years. In a market environment where financing costs of real estate companies have been rising, the Group's ability to raise funds in the domestic capital market is a testament to the Group's prudent market reputation, demonstrating the Group's creditability in the domestic capital market.

In 2022, the Group further strengthened its cooperation with financial institutions. From November 2022 to February 2023, the Group entered into various "headquarters-to-headquarters" strategic cooperation agreements with Bank of Shanghai, Shanghai Pudong Development Bank, China Zheshang Bank, China Bohai Bank, Industrial and Commercial Bank of China, Bank of China, Agricultural Bank of China and China Merchants Bank, with a total credit line of up to RMB120 billion. This signifies that the PRC government regulatory authority and financial institutions are actively supporting the stable and healthy development of the real estate market, while adhering to the notion of "houses are for living in, not for speculation". This further increased the market confidence over a healthy development of the PRC real estate industry. Backed by the strong support from financial institutions, the Group will focus on regional development and delivery of high-quality developments and products.



## INVESTOR RELATIONS

The Group endeavours to maintain the highest standards of corporate governance and transparency, leveraging proactive communication with the investment community to facilitate the understanding of the Group's business strategies and growth potentials. Semi-annual financial results as well as announcements and press releases pertaining to the Group are promptly released to the Singapore Exchange's and the Company's websites, ensuring that shareholders, investors and analysts receive timely and accurate information. The Company also voluntarily announces updates on the Group's unaudited key operating figures on a monthly basis through Singapore Exchange's website, which are also published on its website.

In 2022, despite the epidemic lockdown measures and travel ban in various countries have been eased, most of the international investor conferences were conducted virtually and via telephone conference mode. The Company also held its Annual General Meeting for FY 2021 by way of electronic means via live audio-visual webcast and live audio-only streaming. In 2022, the Group participated in various investment summits and online roadshows organised by various banks and the Singapore Exchange, and met online with investors and fund managers from Singapore, the PRC including Hong Kong SAR, Europe, the United States and other countries to introduce its operations, financial and investments highlights to keep investors engaged.



## 营运概要

仁恒置地集团有限公司2022财年全年营业收入为人民币287.12亿元，其中，人民币247.23亿元收入贡献来自物业开发，人民币13.22亿元来自物业投资及酒店运营，人民币9.99亿元来自物业管理及其余人民币16.68亿元来自其他业务。

### 物业合约预售

2022年面临了复杂的国内外环境，中国房地产行业经历较大挑战。但“房住不炒”的政策主基调未变，整体维稳，核心在于稳定市场预期、实现行业软着陆、期间地方因城施策、个人信贷、房企融资空间逐渐打开及放松。

从区域角度来看，2022年的区域分化进一步加剧，核心一线城市，尤其是上海及杭州市场仍具有相对优势，仁恒置地集团有限公司（“本公司”连同其子公司，“仁恒”或“集团”）受惠于在长三角的长期投资布局，在艰难的市场环境中，取得了理想的销售业绩。

仁恒坚持品质营造与产品力迭代，稳抓后疫情时代关注品质人居环境的趋势，继续沉淀其产品价值，面对市场寒冬，改善型住宅项目销售态势依旧良好；同时，集团在长三角等地持续发展以“仁恒”品牌主导建设及销售的品牌影响力。

截至2022年12月31日的财政年度（“2022财年”）上半年，集团连同其共同控制实体及联营公司的物业合约预售金额达人民币313.94亿元，相较截至2021年12月31日的财政年度（“2021财年”）上半年上升9.5%。在2022年充满挑战的艰难大环境下以及多城市持续的疫情封控，集团在上海、苏州多盘加推，包括在上海的仁恒海上源和在苏州的澜庭项目新批次开盘，均录得当日售罄。在2021年新进城市——无锡，仁恒凭借高品质住宅及服务打下了良好的品牌基础，无锡海和清舒院首开便超额完成预售指标，星湖雅园销售也优于竞品。归功在长三角的长期布局，集团在2022财年下半年继续平稳销售、顺利开盘，集团连同其共同控制实体及联营公司2022财下半年的物业合约预售金额达人民币366.97亿元，相较2021财年下半年上升18.7%。

2022财年，集团连同其共同控制实体及联营公司的住宅及商业物业以及车位总合约预售金额达人民币680.91亿元，总合约建筑面积达约143万平方米，相比2021财年分别上升14.3%及下降23.3%。2022财年物业合约预售平均价格创新高，达每平方米人民币47,498元，较2021财年大幅上升48.9%，主要因素为预售项目组合的改变，其中中国长三角及新加坡的物业合约预售分别占2022财年集团连同其共同控制实体及联营公司总物业合约预售金额的80.9%及4.5%，相比2021财年的62.5%及7.3%。

此外，集团物业发展代建业务取得持续进展。2022财年，由集团项目管理并以“仁恒”品牌销售的物业发展项目的总物业合约预售金额为人民币96.00亿元，合同建筑面积为180,696平方米。连同由集团项目管理并以“仁恒”品牌代建项目的物业合约预售，2022财年的总物业合约预售金额达人民币776.91亿元。





截至2022年12月31日,集团连同其共同控制实体和联营公司的累计物业合约预售金额达人民币1,015.96亿元,总合约建筑面积约260万平方米,预期于截至2023年12月31日的财政年度的上半年及往后陆续入账。

## 项目开发

2022年,中国严格实行防疫封控,上海更是全城静默长达两个月之久,仁恒项目开发团队能够在封控间隙中组织资源、优化工程进度,实现多个项目开发的平稳推进,并顺利达到销售。在各地政府的政策指引下,集团项目管理团队采取一系列措施,将疫情对项目开发的影响控制在可控范围内,确保了集团项目在2022财年如期开工、预售及交付。

2022财年,集团连同其共同控制实体及联营公司交付物业总建筑面积达172万平方米及10,113个车位,相较2021财年分别下降16.3%及3.8%。2022财年的物业交付毛总销售额达人民币643.23亿元,相较2021财年下降1.2%;其中,确认为集团交付的物业销售收入为人民币245.01亿元及确认为共同控制实体及联营公司收入为人民币398.22亿元。2022财年,物业交付的平均价格为每平方米人民币36,348元,相较2021财年上升18.2%,主要因素为交付物业组合的改变,其中,长三角的物业销售贡献2022财年集团连同其共同控制实体及联营公司总交付物业收入金额的74.0%,相较2021财年的53.0%。

在2022财年,集团连同其共同控制实体和联营公司交付的项目主要包括:位于中国南京的江湾世纪花园、海和院;杭州的珊瑚世纪雅园;深圳的仁恒四季新园;南通的仁恒花园,三期;苏州的耦前别墅;海口的仁恒海

棠公园,二期、仁恒滨海园,一期;珠海的仁恒滨海半岛花园,二期;以及其他在中国的项目。

在2022财年,集团连同其共同控制实体和联营公司新开工10个项目,总建筑面积超过184万平方米,其中包括位于中国杭州的前湾国际商贸园-商业综合体;济南的铁恒河滨园、铁恒河滨府;南京的南京江北新区G10号地块;苏州的仁恒·叙澜庭,一期、二期;唐山的唐山南湖生态城A11地块;无锡的清源听澜居、山棠雅园;盐城的星岸家园;扬州的江湾茗湖雅园;及中山的星月四季花苑。截止2022年12月31日,集团连同其共同控制实体和联营公司开发中总建筑面积约606万平方米。

2022年,集团继续在第三方工程质量评估中优化调整评估权重,进一步加强质量、安全风险管控,促进客户满意度及维持行业前列水平。

在2022财年,集团在其创优方面亦荣获诸多殊荣,如中国上海的仁恒海上源项目荣获上海市绿色施工I类工程、工程建设项目绿色建造施工水平评价等,天悦雅园荣获2022居住类建筑银奖;苏州的江湾雅园小区荣获2022中国土木工程詹天佑奖-优秀住宅小区金奖;及海口仁恒海棠公园荣获海南省建筑施工优质结构工程等。

## 土地投资及储备

2022年,由于受疫情及整体经济环境影响,中国房地产市场整体表现相对低迷,部分房地产企业债务及信贷违约,全国土地市场始终处于低迷态势,房地产企业土储扩充普遍谨慎、拿地意愿较弱。2022年,由于市场的变化,仁恒采取了稳健审慎的投资策略,推出“小股操盘及代建”模式,通过发挥仁恒品牌优势及提供管理输出,加大与中国各地国企、城投及有实力民企合作,保持集团的开发规模及经验丰富的团队稳定,以及仁恒产品及品牌在市场的长期发展。集团在持续保持稳健财务及充足的流动性的前提下,适度补充在长三角地区的土地储备。2022财年加上标得在新加坡的Lentor Central住宅项目,集团还在中国获取了九个新项目,共计土地储备约157万平方米,总土地投资约人民币202.36亿元,其中,集团应占人民币约19.40亿元。新获取项目主要分布在中国的南京、苏州、南通、无锡及济南等核心城市以及新加坡。同时,集团项目管理业务也于中国主要城市取得另外10个以“仁恒”品牌命名的代建物业发展项目。

整体来说,集团2022财年延续了稳健发展的土储扩充态势,在市场低谷期通过利用仁恒的品牌优势,以“小股操盘及代建”模式继续在长三角等深耕区域补充土地储备。截止2022年12月31日,集团连同其共同控制实体和联营公司的总土地储备建筑面积共计约946万平方米。未来,仁恒将继续优选并深耕核心一、二线城市,以专业的开发能力和审慎的投资管理,继续保持其在行业内的竞争优势和市场口碑。

## 产品研发

仁恒始终秉持“善待土地用心造好房”的理念，坚持品质为先、基因传承。集团集中建筑研发力量，加强平台建设，将项目设计管理进一步精细化，覆盖了可行性研究至项目开发中及完工后评估的全周期，将仁恒品质输送至优选城市及地区，服务于当地高端市场，2022年进一步深化拓展成熟区域，分别于南京、苏州、无锡以及济南获取新的项目。

为应对新获取项目的合作及代建属性，以保品质控风险为目标，集团研发部基于2021年搭建并磨合的管理体系，通过已上线的研发专项计划管理平台，在2022年完成研发可视化平台框架的开发，更好服务于城市公司投资前及投资后快速进行产品配置，从源头输出仁恒的产品标准及基因。

仁恒重视客户满意度，持续聆听客户声音。2022年，集团研发部与客关部继续就开盘和交付阶段、及日常收集的客户声音进行分析归纳，从规划、建筑、精装、景观、机电五个方面，总结排序客户关注点，从使用端反馈至研发端，将其形成各阶段的审核条件，以提升前端品质管控能力、控制实际执行阶段风险。

2022年集团进一步深耕中国长三角地区，同时在各地持续多元业态的拓展。长三角区启动13个项目，以代建、小股和合作方式为主，纵深开拓南通、盐城、扬州等市场。同时，积极拓展多元业态，包括珠海仁恒滨海湾花园的更新项目；同时，海口仁恒里、沈阳夏宫城市广场 - 购物中心等商业项目于2022年陆续开业；而深圳仁恒梦创广场亦于2022年末部分开业。

2022年启动或呈现多个创新项目，体现集团研发部持续的产品创新能力。南京仁恒国际公寓、沈阳夏宫城市广场 - 服务式公寓均为地标级大平层公寓；无锡海和清舒院及山棠雅园均为低密别墅社区；扬州江湾茗湖雅园、珠海仁恒滨海湾花园首次开盘呈现近两万方实景示范区，以上创新项目均获得不俗市场反应及客户高度认可。此外，苏州江湾雅园项目更荣获2022中国土木工程詹天佑奖优秀住宅小区金奖。

为响应节能减排、低碳环保的可持续发展目标，2022年南京仁恒国际公寓进一步落实仁恒体系首个恒温恒湿恒氧“三恒系统”。新获取的南京江北新区G03号地块将首次采用江水源热泵技术系统以调节房内室温。苏州桃溪澜园、河滨花园及太仓仁恒时代天镜均于2022年取得绿建二星认证证书。南京2016G84号地块 - G地块文旅项目引进节能顾问，提出光伏发电及风能运用、雨水回收、低碳运营等节能设计策略，显示集团仍将持续推广开发运营绿色建筑的理念，践行承诺。

在新加坡发展方面，集团与中国交通建设股份有限公司的子公司Forsea Residence Pte. Ltd.和Soilbuild Group Holdings Ltd.共同于2022年9月以新币4.81亿元的价格标得了Lentor Central的住宅项目，土地面积约为144,714平方英尺，最大允许建筑面积约为



434,140平方英尺。该项目将由三座22层楼宇组成，共有474个住宅单元，并在第14层设有天空露台。凭借其优越的特点，包括靠近绿地、地铁站和零售设施，该项目有望成为新加坡优质住宅开发项目之一。

## 客户服务

集团客户服务体系秉承仁恒的客户导向文化，围绕仁恒核心理念，在完成业务体系建设的基础上，有效实现“集团-城市”联动，全面覆盖集团所有城市的客户关系相关业务管理，继续发挥客户关系业务上的统筹作用。

风险管控方面，2022年集团客户关系团队共计牵头完成中国9个城市，共计16个项目的首次开盘前联合风险检查，监督和指导城市公司客户关系团队完成29个续销项目开盘前风险自查，全面排查产品和销售风险，消除隐患。2022年全年对集团13个城市内的27个项目累计进行101次神秘客服务监督检查，不断查漏补缺，提升管理和服务水平，提升客户感知。集团客户关系团队2022年全年累计完成36次业务巡检，涉及26个项目，对项目的客户关系业务质量、风险管控效果提出多项整改建议，确保客户关系业务的实施效果。

交付组织方面，2022年集团共计交付34个批次，超过14,000套房屋。行业下行和疫情的严厉防控措施对营运造成巨大影响且加剧管理挑战。集团客户关系体系团队全面介入项目开发过程，统筹及组织项目工作，从风险排查、项目产品、品质监督、交付前质量问题查验和整改监督到工地开放组织、交付组织，再到交付后的维修保养管理，实现了如期交付，得到了理想客户满意度及认可，进一步奠定了仁恒品牌基础。





平台服务方面,集团通过CRM数据系统、“400”客户服务热线、以及专项调研沟通系统,加强与客户联系。2022年,集团搭建的CRM数据系统,全年客户绑定量超80,000人,且总访问量超过190万人次;“400”客户服务热线,全年累计接听超过4,500条来电,与客户完成超过60,000次电话回访及沟通。

组织建设方面,集团客户关系部2022年全年组织十余次集团层面的跨职能沟通,在常见问题管控、典型问题协调解决、客户关系知识分享、经营前后端拉通等维度上发挥作用,以客户视角来提升各职能的客户意识,从而使仁恒的产品和服务更贴合客户的真实需求。

集团客户关系部于2022年7月发布了《客户关系审图清单》,整合了集团过往经营过程中需要在设计阶段关注的问题事项,输出客户关系前期介入联合审图清单共计132点,落实超过200项服务触点及内部管控要点,真正做到前置管控客户敏感点,最大限度从设计源头消除风险。

集团客户关系体系以客户满意度为抓手,通过对客户在项目不同生命周期的主动访问,来收集客户对产品和服务的感知与反馈,用以反馈集团的管理改进和业务提升,持续提升客户的感知。2022年集团第三方调查研究客户满意度评价为88分,位居行业优秀序列。

2023年,集团客户关系将适应房地产市场的新形势,快速调整认知,结合市场和客户需求的变化更有针对性地开展工作。进一步优化和完善客户关系体系建设,夯实和提升客户关系业务质量,为客户提供更加优质的产品和服务的同时,保障仁恒的品牌形象。

## 物业投资及酒店运营

2022年,集团来自中国的商业及办公楼物业的租金收入持续上升,主要受惠于天津仁恒海河广场一期“仁恒伊势丹A馆”2021年9月的重新开业后,2022年持续录得整年的租金收入,以及珠海仁恒滨海中心办公楼的出租率持续上升。

截止2022年12月31日,商业及办公楼物业的整体平均出租率为79%。虽然2022年中国疫情反复,在工期、人力等巨大压力下,海口仁恒海棠公园仁恒里于2022年下半年陆续开业;而深圳仁恒梦创广场亦于2022年末部分开业。并在当地形成较好的开业效果。苏州仓街商业广场及成都仁恒置地广场商场部分改造将在2023年陆续竣工及开业亮相,成为仁恒商业标杆项目。商业综合体开发业务是集团的重要业务之一,集团将有计划地稳步增加优质自持商业项目,提升品牌影响力,做到商业与住宅开发的相互促进,持续强化企业竞争力及增加租金收入。

2022年从年初疫情的不断反复和各地政府管控政策的持续收紧到12月放开,国内旅游及酒店业市场深受影响。集团酒店及服务式公寓全年营业收入虽受大环境的影响,但表现仍超预期。其中三亚海棠湾仁恒皇冠假日度假酒店虽然受三亚本地及各大出发地市场疫情影响,但在2022年7月,在没有受疫情防控影响下,总收入约人民币4,200万元,创下了单月营收之最。

2022年是集团首个自营酒店品牌——南京仁恒柏薇酒店公寓第一个完整运营年度。虽然无可避免受严厉疫情防控的影响,公寓业绩表现不俗,为仁恒自营品牌在中国市场奠定了良好的开局。同时,集团也在2022年积极筹划首家“薇乐”品牌酒店。“薇乐”是继“仁恒柏薇”后即将在中国市场新推出的轻奢酒店品牌。首家“薇乐”酒店将于2023年在天津正式开业。“仁恒柏薇”及“薇乐”酒店品牌将在中国继续成长。

新加坡的投资物业UE广场和UE BizHub TOWER的办公楼出租率均超过90%,而UE BizHub WEST出租率亦为健康。2022年10月,UE BizHub CENTRAL以新币5,500万元的价格卖给苹果公司(Apple Inc.),获得了新币3,800万元的处置收益。尽管经济前景不确定和利率创下历史新高,信息通信和技术行业以及共同工作空间的租赁需求仍然强劲。UE广场和罗切斯特商场的出租率均超过95%,并取得正向续租租金。

尽管新加坡正在走出疫情,并且政府也在陆续取消支持措施,但集团仍在2022财年向其某些租户提供租金减免,提供及时支持。

与世界上许多国家的政府保持同步,新加坡在2022年对国际旅行开放了边境。2022年新加坡的游客人数达到了630万人,超过了新加坡旅游局(Singapore Tourism Board)预测的400万至600万游客人数。柏薇(克列孟梭)服务公寓和柏薇(罗伯逊)的服务式公寓继续表现良好,入住率始终保持在85%以上,主要是由于长期的公司租赁,跨国公司团体和商务旅客。

柏薇樟宜酒店继续支持新加坡政府的隔离计划，并记录了稳定的收入和运营利润。柏薇(罗切斯特)酒店于2022年4月重新对商务和休闲旅客开放，整体入住率均超过85%。

### 物业管理服务

2022年，中国国内房地产市场承压下行，同时受疫情的影响。作为社区和居民之间的服务连接载体，仁恒物业及时发挥职能作用，迎“疫”而上，迅速组织团结带领全体员工，为业主的安全保驾护航。在保障基础服务的同时，克服因封控、感染等原因造成的人手不足，积极配合政府全面铺排防控工作，迅速落实防控措施，以高度的责任心筑起防控的坚强堡垒，全力守好“最后一道关口”。疫情期间，仁恒物业主动承担社会责任，其中上海物业承接3个政府紧急征用的防疫隔离设施的运营，收治感染者22,000余人。

面对疫情的严峻形势以及外部市场的激烈竞争，仁恒物业紧紧围绕2022年初设定的各项工作目标，坚守品质、夯实服务力，持续有效地推进各项营运指标的顺利达成。截止2022年12月31日，仁恒物业管理共有在管项目126个、合同储备项目48个，类型覆盖住宅、商业、办公、商业综合体、园区管理、公共建筑等，物业管理合约面积约 2,917万平米，实际接管面积约2,117万平米，服务户数超10万户。在保持集团内部新交付项目及面积稳中有升的态势外，积极开拓外部市场，输出仁恒物业品牌。2022财年外拓项目物业管理服务合约面积约123万平米。

“恒心服务，一生呵护”，仁恒物业始终坚守这一服务理念，通过持续提供高标准品质服务，为社会、客户和员工不断缔造超前品质，始终保持着优质品牌的行业地位。在各地地区物业公司的共同努力下，2022年仁恒物业荣获各类奖项共计103项：其中省部级荣誉19项；市级荣誉26项；区级荣誉58项。在这些奖项中，抗疫相关荣誉共计12项，这也是政府对仁恒物业社会责任与担当的认可。

2023年，仁恒物业将紧密链接集团战略目标，聚焦服务品质提升、盈利能力建设和品牌价值提升三大维度，进一步落实提高质量，增加效率等各项举措。

### 联合工程集团在多个其他国家的非房地产业务

在工程部门方面，包括O'Connor's在新加坡和马来西亚的业务，继续专注于为公共安全、石油和天然气、金融和电信、医疗以及商业领域的客户提供安全、通信和智能解决方案和服务。

在新加坡，O'Connor's通过提供“平台即服务”(PAAS)来扩大其解决方案业务，增强其在安全、卫星通信和医疗领域的现有实力。由于各地的防疫政策和全球供应链中断及延迟，2022年的订单履行受到了阻碍。尽管如此，O'Connor's还是设法从新加坡国防科技局(DSTA)、新加坡政府创科部门(GovTech)、新加坡警察部队(Singapore Police Force)和新加坡电信(Singtel)获得了新项目，使得2023年累计订单健康增长。

在2021年之后，O'Connor's的马来西亚业务受益于油价上涨，刺激了石油和天然气行业的支出，获得了几个规模可观的无线电通信项目。作为扩张计划的一部分，O'Connor's发展了网络安全方面的机会，并推出



“零容忍网络架构”(ZTNA)解决方案，主要针对政府机构和大型私营企业等有安全意识的客户。在马来西亚政府最终确定了他们的5G电信计划并在2023年展开后，电子和仪器业务部门在2022年末业务活动有所上升。

尽管由于疫情限制、劳动力短缺和供应链中断导致项目延迟，但集团的分销业务在2022年表现相对良好。

在新加坡，Welmate供应建筑材料和解决方案，包括防火板(Promat)，挤压混凝土墙板(Acotec和AAC)，外部建筑装饰板(Equitone)和高端吸音板(Rockfon)。该公司推出了一种名为Somon的新产品，主要用于环境健康的墙面涂料。Welmate赢得了包括脸书(Facebook)和谷歌(Google)数据中心在内的多个大型项目。Far East Motors及Polytek Engineering赢得了一些重要项目，例如君悦酒店的洗衣系统更新以及几个车辆测试车道。

在澳大利亚昆士兰州，Pacific Silica在本年表现比以往更好，2022年10月底第二个混凝土搅拌站在卡隆德拉开始运营，并因专业干燥沙的强劲需求受到蓬勃发展的建筑业支持，获得了稳定的销售额。

制造业部门的业绩表现不一，全球半导体短缺、材料成本上涨、劳动力短缺、中国的防疫政策以及全球供应链中断延迟了原材料和零部件的发货给客户，并抑制了消费者消费。

集团在英国和中国的零部件业务表现良好，因为它们针对的是利基市场。通过利用连接器领域的专业知识和提供定制解决方案的能力，Cambion继续与波音(Boeing)、Lockheed-Martin、Leonardo和Thales等主要客户共同开发专业电子连接解决方案，实现收入增长。Cambion从投资于更新制造设备和流程自动化中受益，从而实现了提高质量、效率和减少浪费的成果。





中国的电子合同制造业获得了来自重要客户Tyco的强劲订单。在中国防疫政策带来的极其严峻的情况下，集团成功地交付了订单并继续保持组合多样化，积极争取新客户，从而拥有了不同类型产品和客户群体的健康组合。

集团在中国的精密工程业务收入下降，因为汽车行业客户继续受到关键零件短缺、中国的防疫政策、战争以及持续的中美贸易战的影响，导致企业投资谨慎。尽管收入下降，但集团的自动化战略、专注于质量和生产效率的提高，持续推动运营成本下降。

集团在柔佛的精密工程工厂由于马来西亚政府解除旅行限制，劳动力短缺得到缓解，于2022年第四季度开始大规模生产。订单在汽车行业客户的强烈支持下，在2022年第四季度实现了生产量的加速提升，并有望在2023年实现全面产能利用。

在美国专门从事蔬菜和观赏和园艺产品供应商Speedling面临不断上涨的利率、能源和劳动力成本等困难的运营环境，通过专注于高利润产品和持续的成本管理措施，盈利能力预计将逐步恢复。

## 人力资源

集团一贯将人才战略列为集团发展战略的重要组成部分。集团坚持并倡导“仁信治业 持之以恒”的企业精神，善待土地、善待员工。集团视员工为企业的合作伙伴，信任、理解并善待员工，通过良好的职业发展平台和优秀的企业文化吸引和保留人才。

2022年集团的招聘、培训与人才发展有序发展，为各地方公司中高专业技术人员及管理人员搭建专业及管理学习平台，提高队伍素质与能力，同时储备集团高管人才。

2022年，集团继续梳理各板块业务规则，通过加强信息化建设，优化专业条线系统，扩大人力系统、办公系统的应用范围，达成组织和人力资源的管理有效协同，提升整体运营效率和风险把控能力。

2022年集团根据行业发展现状及未来发展趋势的要求，主动调整为更集中、更灵活、更高效的组织状态，适应目前及未来的市场变化，以保持更好、更长远的发展。进一步对管理人员团队分工进行调整，打造精干高效的管理团队。在此基础上持续强化高管培训，优化员工培训，通过对项目总经理以及各职能条线负责人、各条线项目经理的培养项目，储备仁恒未来发展所需人才。培养内部讲师，打造学习型组织和团队文化，梳理出可复制的标准化作业流程，提高集团绩效。

为实现加强业务条线间的沟通与联动，一岗多能，实现员工基础管理知识的覆盖，满足员工跨条线、跨专业业务学习的需求，借助线上学习平台持续推出新的学习课程，旨在实现随时随地的知识获取。

## 企业融资

2022年6月，天津仁恒海河广场的资产支持专项计划（“CMBS”）成功发行，发行规模人民币12.15亿元，总期限12年，每三年一次开放回售，证券预期收益率为4.1%，发行利率相较2019年首次发行利率下降71基点，为近两年以来民营地产CMBS发行利率新低之一。在地产公司融资成本全面上浮的市场环境下一枝独秀，助力仁恒在境内资本市场持续融资能力，树立了稳健的市场形象，进一步展现了仁恒在境内资本市场的信誉度。

2022年，集团进一步加强与各金融机构的深度合作。2022年11月到2023年2月间，集团分别与上海银行、上海浦东发展银行、浙商银行、渤海银行、中国工商银行、中国银行、中国农业银行和招商银行签订“总对总”战略合作协议，签约总授信规模高达人民币1,200亿元。这体现了中国政府监管部门和金融机构在坚持“房住不炒”基本定位的前提下，积极助力房地产市场平稳健康发展，也进一步增强了市场对中国房地产行业走向良性循环和健康发展的信心。仁恒在金融机构更大力度的支持下，将进一步聚焦区域发展，做好项目开发建设，确保交付品质。

## 投资者关系

集团十分重视企业的透明度及企业管治水平，并通过与投资市场的主动沟通，使各方更了解集团的业务发展策略，增长潜力及财务状况。半年业绩报告及各项有关集团的公告和新闻稿均通过新加坡证券交易所（“新交所”）的官方网站公告及本公司网站及时发布，向股东、投资者及分析员提供及时及可靠的讯息。本公司也通过新交所网站自愿每月公布集团未经审计的关键运营数据更新，这些数据也发布在本公司网站上。2022年，虽然个别国家或地区有陆续开放疫情封锁措施和旅行禁令，大多数国际投资会议仍然主要透过线上会议和电话会议进行。本公司也以线上方式通过现场视听直播及现场纯音频举行了2021财年股东大会。在2022年，集团参与了由多家银行组织的投资峰会和线上路演，与新加坡、中国包括香港、欧洲、美国及其他各国的投资者和基金经理线上会面并介绍集团的营运、财务及投资亮点，保持与投资者的沟通交流。





Yanlord Begonia Park, Haikou, PRC  
仁恒海棠公园, 海口, 中国

MAJOR PROJECTS  
WITH REVENUE  
RECOGNITION IN 2022

Smriti Curtilage, Suzhou, PRC  
耦前别墅, 苏州, 中国







Riverbay Century Gardens, Nanjing, PRC  
江湾世纪花园, 南京, 中国

Yanlord Marina Peninsula Gardens, Zhuhai, PRC  
仁恒滨海半岛花园, 珠海, 中国



Majestic Mansion, Nanjing, PRC  
海和院, 南京, 中国





MAJOR PROJECT  
DELIVERED BY  
JOINT VENTURES  
& ASSOCIATES  
IN 2022



Yanlord La Viva Riverbay, Suzhou, PRC  
滨河四季云庭, 苏州, 中国



Hangzhou Bay (Phase 1), Hangzhou, PRC  
前湾 • 江上湾, 杭州, 中国





Cloud Serenity Gardens, Nanjing, PRC  
云逸都荟花园, 南京, 中国



Jingan Century, Shanghai, PRC  
璟安悦庭, 上海, 中国



MAJOR NEW  
COMMENCEMENT OF  
CONSTRUCTIONS  
IN 2022



Tang Song, Wuxi, PRC  
山棠雅园, 无锡, 中国



Marina One, Wuxi, PRC  
清源听澜居, 无锡, 中国



Park in City, Yangzhou, PRC  
江湾茗湖雅园, 扬州, 中国





Yanlord PRELAND, Suzhou, PRC  
仁恒·叙澜庭, 苏州, 中国

Riverside City, Jinan, PRC  
铁恒河滨园、铁恒河滨府, 济南, 中国





Yanlord Reverie Plaza, Shenzhen, PRC  
仁恒梦创广场, 深圳, 中国



Yanlord Marina Centre, Zhuhai, PRC  
仁恒滨海中心, 珠海, 中国

## INVESTMENT PROPERTY PORTFOLIO IN THE PRC

Cangjie Commercial Plaza, Suzhou, PRC  
仓街商业广场, 苏州, 中国



Orchard Summer Palace, Shenyang, PRC  
夏宫城市广场, 沈阳, 中国







Yanlord Riverside Plaza, Tianjin, PRC  
仁恒海河广场, 天津, 中国



Yanlord Landmark, Nanjing, PRC  
仁恒置地广场, 南京, 中国



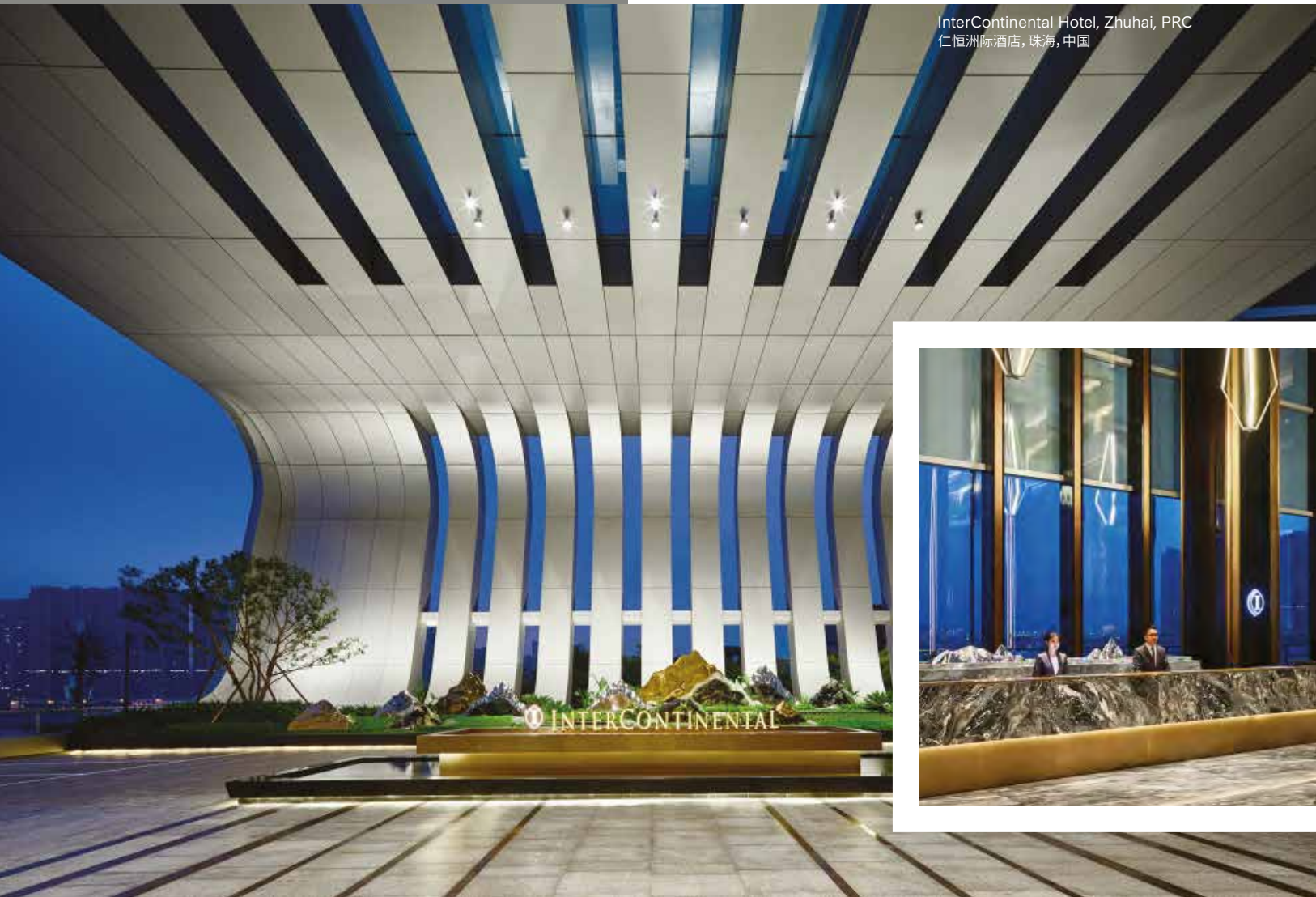
Yanlord Landmark, Chengdu, PRC  
仁恒置地广场, 成都, 中国





ParcVue Hotel Residence, Nanjing, PRC  
仁恒柏薇酒店公寓, 南京, 中国

## HOTEL AND HOTEL OPERATIONS IN THE PRC



InterContinental Hotel, Zhuhai, PRC  
仁恒洲际酒店, 珠海, 中国







Crowne Plaza Sanya Haitang Bay Resort, Sanya, PRC  
三亚海棠湾仁恒皇冠假日度假酒店, 三亚, 中国



# DEVELOPMENT SCHEDULE SUMMARY

As at December 31, 2022

## COMPLETED DEVELOPMENT PROPERTIES

Project	Description (units)	Interest Attributable (%)	Site Area (sqm)	GFA (sqm)	Type
<b>Chengdu</b>					
Hengye International Plaza <sup>(1)</sup> 恒业国际广场 <sup>(1)</sup>	226	100	26,473	40,665	S
Hengye Star Gardens 恒业星园	814	100	23,036	83,943	R,S
Orchard Villa (Phase 1 to 6) 锦绣尚郡,一至六期	1,040	99	281,533	240,450	R,S
Stream In Cloud (Phase 1 and 2) 溪云居,一及二期	906	80	111,322	73,590	R
Yanlord Landmark <sup>(1)</sup> 仁恒置地广场 <sup>(1)</sup>	425 (S+H) and 32-storey (O)	100	19,166	165,755	O,S,H
Yanlord Riverbay 仁恒滨河湾	2,283	70	119,043	391,803	R
<b>Guiyang</b>					
Xintian Centre 新天商业中心	123	67	18,820	14,376	S
Yanlord Villas 仁恒别墅	92	67	53,541	36,131	R
<b>Haikou</b>					
Yanlord Begonia Park (Phase 1 and 2) <sup>(1)</sup> 仁恒海棠公园,一及二期 <sup>(1)</sup>	1,202 (R), office suites and retail shops	51	70,891	193,814	R,O,S
Yanlord Gardens (Phase 1) 仁恒滨江园,一期	798 (R) and retail shops	70	57,354	107,851	R,S
<b>Hangzhou</b>					
Hangzhou Bay (Phase 1) <sup>(2)</sup> 前湾·江上湾 <sup>(2)</sup>	1,015	30	55,354	133,006	R
Hangzhou Bayfront Isle (Phase 1 and 2) <sup>(1)</sup> 前湾,一及二期 <sup>(1)</sup>	1,064 (R) and commercial podium	30	71,626	148,221	R,S
The Corals 珊瑚世纪雅园	916	51	77,273	123,518	R,S
Yanlord Riverside Gardens <sup>(2)</sup> 仁滨公寓 <sup>(2)</sup>	346	50	31,776	75,715	R
<b>Jinan</b>					
Yanlord Century Gardens <sup>(2)</sup> 仁恒世纪花园 <sup>(2)</sup>	797	35	47,166	114,208	R,S
Yanlord Century Plaza <sup>(2)</sup> 仁恒世纪广场 <sup>(2)</sup>	523	35	9,169	45,190	O,S,H
<b>Nanjing</b>					
Bamboo Gardens 翠竹园	2,770	100	233,000	394,310	R
Cloud Serenity Gardens <sup>(2)</sup> 云逸都荟花园 <sup>(2)</sup>	3,159	18	153,262	387,420	R,S
Majestic Mansion 海和院	347	51	39,016	54,616	R
Oasis New Island Gardens 绿洲新岛花园	2,247	100	109,467	271,514	R
Orchid Mansions <sup>(1)</sup> 玉兰山庄 <sup>(1)</sup>	259	100	94,134	69,649	R
Plum Mansions, including Lakeside Mansions 梅花山庄,湖畔之星	1,943	100	113,182	327,667	R
Riverbay Century Gardens 江湾世纪花园	1,380	51	175,299	286,173	R
The Park Mansion 公园世纪苑	610	50	52,785	87,123	R
The River Time <sup>(2)</sup> 江湾时代花园 <sup>(2)</sup>	299	50	25,010	44,965	R



Project	Description (units)	Interest Attributable (%)	Site Area (sqm)	GFA (sqm)	Type
<b>Nanjing</b>					
Yanlord G53 Apartments <sup>(1)</sup> 仁恒G53公寓 <sup>(1)</sup>	921	100	46,640	96,354	R,S
Yanlord International Apartments, Tower B 仁恒国际公寓,B栋	254	100	25,078	67,683	R
Yanlord Landmark <sup>(1)</sup> 仁恒置地广场 <sup>(1)</sup>	Commercial complex	100	45,067	125,875	O,S,H
Yanlord Phoenix Hill (Phase 1) 凤凰山居,一期	324	51	120,254	71,068	R
Yanlord Taoyuan Gardens <sup>(2)</sup> 桃园世纪华庭 <sup>(2)</sup>	1,023	33	61,465	160,550	R,O,S
Yanlord Yangtze Riverbay Town <sup>(1)</sup> 仁恒江湾城 <sup>(1)</sup>	3,927	100	303,379	720,847	R,S
<b>Nantong</b>					
Four Seasons Gardens 四季花园	1,084	60	62,151	136,555	R,S
Yanlord Gardens 仁恒花园	1,452	31	131,577	218,110	R
<b>Sanya</b>					
Sanya Hai Tang Bay - Land Parcel 9 <sup>(3)</sup> 三亚海棠湾 - 9号地块 <sup>(3)</sup>	593	100	193,772	102,659	R,H
<b>Shanghai</b>					
Bayside Gardens <sup>(2)</sup> 御澜湾苑 <sup>(2)</sup>	764	50	117,399	116,408	R,S
Cloud Villa <sup>(2)</sup> 怡雅园 <sup>(2)</sup>	784	15	108,388	86,826	R
Jingan Century <sup>(2)</sup> 璟安悦庭 <sup>(2)</sup>	693	28	27,809	70,879	R,H
Shanghai Curtilage <sup>(2)</sup> 海和院 <sup>(2)</sup>	1,162	30	121,049	122,693	R
Yanlord Apartments 仁恒公寓	95	67	4,146	13,579	R
Yanlord Eastern Gardens 仁恒东邑雅苑	1,194	100	128,532	180,583	R
Yanlord Gardens 仁恒滨江园	1,943	67	138,802	415,360	R
Yanlord on the Park 仁恒世纪公寓	717	50	55,776	148,122	R
Yanlord Plaza 仁恒广场	411 (R) and 4-storey (O)	67	10,845	53,047	R,O
Yanlord Riverside City <sup>(1)</sup> 仁恒河滨城 <sup>(1)</sup>	4,216 (R) and 9-storey (S)	67	306,406	741,417	R,S
Yanlord Riverside Gardens 仁恒河滨花园	1,663	100	128,895	319,756	R
Yanlord Sunland Gardens <sup>(1)</sup> 仁恒森兰雅苑 <sup>(1)</sup>	1,627	100	202,851	336,001	R,S,H
Yanlord Town 仁恒家园	428	50	94,174	75,573	R
Yanlord Townhouse 仁恒怡庭	269	100	54,208	65,572	R
Yanlord Western Gardens 仁恒西郊雅苑	1,470	60	136,937	247,503	R
Yunjie Riverside Gardens <sup>(2)</sup> 运杰河滨花园 <sup>(2)</sup>	1,712	50	210,566	253,048	R,S

## COMPLETED DEVELOPMENT PROPERTIES (Cont'd)

Project	Description (units)	Interest Attributable (%)	Site Area (sqm)	GFA (sqm)	Type
<b>Shenyang</b>					
Orchard Summer Palace <sup>(1)</sup> 夏宫城市广场 <sup>(1)</sup>	765	99	15,030	165,990	O,S,H
Weiyong Technology Building <sup>(1)</sup> 维用科技大厦 <sup>(1)</sup>	4-storey (O) and 2-storey (S)	79	9,692	9,107	O,S
<b>Shenzhen</b>					
Yanlord Four Seasons Gardens 仁恒四季园	1,063	95	28,959	125,930	R,S
Yanlord Four Seasons New Gardens 仁恒四季新园	1,433	95	39,600	167,158	R,S
Yanlord Reverie Apartments 仁恒梦公寓	2,854	100	29,790	119,588	S,H
Yanlord Reverie Park <sup>(2)</sup> 仁恒芯梦公园 <sup>(2)</sup>	Commercial complex	84	43,969	210,983	O,S,H
Yanlord Rosemite <sup>(1)</sup> 仁恒峦山美地花园 <sup>(1)</sup>	1,540	100	46,777	148,424	R,S
<b>Suzhou</b>					
Canal Times 运河时代花园	301	100	24,938	52,184	R
Four Seasons Heming Gardens 四季和鸣雅园	1,349 (R) and retail shops	60	86,441	189,921	R,S
New Tang's Mansion <sup>(2)</sup> 浅棠平江 <sup>(2)</sup>	1,035	30	56,746	143,702	R
Riverbay Gardens <sup>(1)</sup> 江湾雅园 <sup>(1)</sup>	1,874	30	123,313	293,598	R,S
Riverside Gardens 河滨花园	698	85	44,671	89,218	R
Smriti Curtilage 耦前别墅	93	100	18,614	22,139	R
Suzhou Wuzhong Area C1 Land - Villas 苏州吴中区C1地块 - 别墅	22	100	57,857	22,614	R
Tang Yue Bay Gardens 棠悦湾花园	1,366	100	77,820	172,894	R
Yanlord Lakeview Bay <sup>(1)</sup> 仁恒双湖湾 <sup>(1)</sup>	1,699	100	368,104	388,194	R,S
Yanlord La Viva Riverbay <sup>(2)</sup> 滨河四季云庭 <sup>(2)</sup>	1,534	15	86,741	195,205	R
Yanlord Peninsula (Apartment) 星屿仁恒	704	100	78,310	100,206	R
Yanlord Peninsula (Townhouse) 星岛仁恒	350	100	168,000	91,963	R
Yanlord Seacoast Royale <sup>(2)</sup> 海河云庭 <sup>(2)</sup>	879	15	84,860	135,618	R
<b>Tangshan</b>					
Tangshan Nanhu Eco-City - Land Parcels A8, A9 and A19 <sup>(2)</sup> 唐山南湖生态城,A8、A9及A19地块 <sup>(2)</sup>	2,095	50	153,481	327,278	R,S
<b>Tianjin</b>					
Tianjin Hong Qiao Land (Phase 1) <sup>(2)</sup> 红咸雅苑,一期 <sup>(2)</sup>	1,500 (R) and retail shops	25	73,207	197,013	R,S
Tianjin Jinnan Land <sup>(1)</sup> 景新花园 <sup>(1)</sup>	3,412	100	165,812	376,440	R,S
The Mansion In Park (Phase 1) <sup>(2)</sup> 仁恒公园世纪,一期 <sup>(2)</sup>	1,078	50	72,321	161,799	R,S
Yanlord Majestic Mansion 仁恒海和院	1,959	60	193,514	267,824	R,S



Project	Description (units)	Interest Attributable (%)	Site Area (sqm)	GFA (sqm)	Type
<b>Tianjin</b>					
Yanlord Riverside Gardens 仁恒河滨花园	2,184	80	130,789	326,220	R
Yanlord Riverside Plaza <sup>(1)</sup> 仁恒海河广场 <sup>(1)</sup>	1,515 (R), 29-storey (O), 7-storey (S) and retail street	100	95,277	382,161	R,O,S
Yilu Gardens <sup>(2)</sup> 依潞花园 <sup>(2)</sup>	844 (R) and retail shops	25	74,715	147,787	R,S
Yiwan Gardens <sup>(2)</sup> 依湾花园 <sup>(2)</sup>	1,442 (R) and retail shops	17	98,264	179,853	R,S
<b>Wuhan</b>					
Yanlord on the Park 仁恒·公园世纪	895	55	35,296	151,029	R
<b>Zhuhai</b>					
Yanlord Marina Centre <sup>(1) (3)</sup> 仁恒滨海中心 <sup>(1) (3)</sup>	409 (R), 136 (O), 4 (S) and 324 (H)	95	42,204	227,108	R,O,S,H
Yanlord Marina Peninsula Gardens <sup>(1)</sup> 仁恒滨海半岛花园 <sup>(1)</sup>	3,706	57	227,685	498,758	R,S
Yanlord New City Gardens <sup>(1)</sup> 仁恒星园 <sup>(1)</sup>	2,697	90	229,931	412,930	R,S
Yanlord North Shore Gardens 仁恒北岸苑	381	57	13,938	41,598	R
<b>Subtotal (PRC)</b>			<b>8,001,530</b>	<b>15,400,175</b>	
<b>Malaysia - Kuala Lumpur</b>					
The Manhattan <sup>(4)</sup>	129	100	1,888	10,590	R
<b>Singapore</b>					
Park Avenue Robertson <sup>(1)</sup> 柏薇(罗伯逊)服务公寓 <sup>(1)</sup>	36	100	1,174	3,286	H
Rochester Mall and Park Avenue Rochester <sup>(1)</sup> 罗切斯特商场和柏薇(罗切斯特)酒店 <sup>(1)</sup>	351 (H) and 3-storey (S)	100	14,331	29,576	S,H
The Seletar Mall <sup>(2)</sup> 利达广场 <sup>(2)</sup>	9-storey	30	8,790	26,291	S
UE BizHub CITY <sup>(1)</sup> UE 广场 <sup>(1)</sup>	150 (H), 18-storey (O) and 4-storey (S)	100	32,982	69,284	O,S,H
UE BizHub TOWER <sup>(1) (4)</sup>	23-storey	100	2,616	26,866	O,S
UE BizHub WEST <sup>(1) (4)</sup>	12-storey and 8-storey	100	17,789	46,547	O
WBL Building <sup>(3) (4)</sup>	7-storey and 2-storey	99	5,511	14,050	O
<b>Subtotal (Non-PRC)</b>			<b>85,081</b>	<b>226,490</b>	
<b>Total</b>			<b>8,086,611</b>	<b>15,626,665</b>	

R = Residential  
O = Office and Conference Centre  
S = Shop and Retail  
H = Hotel and Serviced Apartment  
N = Others (Including Tourism Attraction and Medical Centre)

**Notes:**

- <sup>(1)</sup> Consists of properties held for investment with unexpired terms of lease between 18-859 years as at December 31, 2022  
<sup>(2)</sup> Being held under associate or joint venture  
<sup>(3)</sup> Being held under property, plant and equipment  
<sup>(4)</sup> Being no Chinese name available

## PROPERTIES UNDER DEVELOPMENT

Project	Description (units)	Interest Attributable (%)	Actual/ Estimated Completion Date	Site Area (sqm)	GFA (sqm)	Percentage of Completion (%)	Type
<b>Chengdu</b>							
Orchard Villa (Phase 6) 锦绣尚郡, 六期	294	99	Mar-23	35,009	47,440	93	R
Stream In Cloud (Phase 3) 溪云居, 三期	396	80	Feb-23	38,745	30,996	98	R
<b>Haikou</b>							
Yanlord Begonia Park (Phase 3) 仁恒海棠公园, 三期	237	51	2nd Quarter 2024	10,848	40,336	50	R
Yanlord Gardens (Phase 2) 仁恒滨江园, 二期	1,176 (R) and retail shops	70	Dec-23	94,567	176,915	48	R,S
<b>Hangzhou</b>							
Hangzhou Bay (Phase 2) <sup>(1)</sup> 前湾·畅想江澜湾 <sup>(1)</sup>	1,274	30	2nd Quarter 2024	71,367	185,542	35	R
Hangzhou Bay Commercial Land Parcels - Commercial Complex 前湾国际商贸园 - 商业综合体	Commercial complex	30	3rd Quarter 2025	78,870	118,446	1	O,S,H
Hangzhou Bayfront Isle (Phase 3) 前湾, 三期	151 (R+H) and retail shops	30	3rd Quarter 2024	17,765	35,575	48	R,S,H
IHG Keyi Hangzhou International Hospital <sup>(1)</sup> 英慈科谊医院 <sup>(1)</sup>	Self-operating medical centre	30	4th Quarter 2024	25,670	38,505	28	N
<b>Jinan</b>							
Riverside City <sup>(1)</sup> 铁恒河滨园、铁恒河滨府 <sup>(1)</sup>	Residential and retail shops	20	1st Quarter 2026	133,026	230,951	1	R,S
The Mansion in Park <sup>(1)</sup> 仁恒奥体公园世纪 <sup>(1)</sup>	1,079 (R) and retail shops	35	Jul-23	63,634	139,951	52	R,S
<b>Nanjing</b>							
Yanlord International Apartments, Tower A 仁恒国际公寓, A栋	210	100	Dec-23	3,337	42,494	99	H
Majestic Mansion 海和院	132	51	Aug-23	16,357	22,897	99	R
Nanjing Jiangbei New District No.G10 Land <sup>(1)</sup> 南京江北新区G10号地块 <sup>(1)</sup>	557 (R) and retail shops	5	4th Quarter 2025	26,013	71,637	1	R,S
Yanlord Hub City 城市星徽名苑	1,228 (R) and retail shops	100	May-23	61,329	145,814	84	R,S
Yanlord Phoenix Hill (Phase 1) 凤凰山居, 一期	5	51	Dec-23	2,560	1,513	77	R
<b>Shanghai</b>							
Moons Villa 仁恒·海明园	560 (R) and retail shops	50	Jun-23	83,262	84,060	95	R,S
Poetic Villa 荟雅华庭	745	51	Nov-23	83,042	99,163	69	R
Suhe Century <sup>(1)</sup> 晋元华庭 <sup>(1)</sup>	348 (R) and commercial complex	30	1st Quarter 2025	28,288	75,217	13	R,O,S
The Oasis Mansion <sup>(1) (2)</sup> 天悦雅园 <sup>(1) (2)</sup>	883	45	3rd Quarter 2024	61,326	123,278	57	R
Shanghai Olympic Garden (Phase 3 - Section 2) <sup>(1)</sup> 上海奥林匹克花园, 三期二标 <sup>(1)</sup>	490	45	Aug-23	33,471	50,843	85	R



Project	Description (units)	Interest Attributable (%)	Actual/ Estimated Completion Date	Site Area (sqm)	GFA (sqm)	Percentage of Completion (%)	Type
<b>Shanghai</b>							
Shanghai San Jia Gang Land Plot 仁恒滨海度假村	157	67	2nd Quarter 2024	67,978	36,364	3	O,S,H
Yanlord Arcadia 仁恒海上源	1,171 (R) and retail shops	100	Sep-23	69,400	192,458	82	R,S
<b>Shenyang</b>							
Yanlord on the Park 仁恒公园世纪	526	99	May-23	18,488	99,561	58	R
<b>Shenzhen</b>							
Yanlord Century Mansion 仁恒世纪大厦	360 (H) and retail shops	95	4th Quarter 2024	5,744	57,500	51	H,S
Yanlord Four Seasons The Park 3 <sup>(3)</sup> 四季雅园 <sup>(3)</sup>	934	95	1st Quarter 2025	21,878	129,090	26	R,S
Yanlord Reverie Plaza 仁恒梦创广场	1,608	100	Aug 23	36,952	208,273	76	O,S,H
<b>Suzhou</b>							
Cangjie Commercial Plaza <sup>(4)</sup> 仓街商业广场 <sup>(4)</sup>	Retail mall	100	Dec-23	65,585	78,007	72	S
Lantern (Phase 1) <sup>(1)</sup> 澜庭,一期 <sup>(1)</sup>	674	26	Jun-23	104,545	132,588	37	R
Lantern (Phase 2) <sup>(1)</sup> 澜庭,二期 <sup>(1)</sup>	Hotel	26	1st Quarter 2024	32,645	25,949	37	H
Lan Virtuoso <sup>(1)(5)</sup> 桃溪澜园 <sup>(1)(5)</sup>	459	17	3rd Quarter 2024	39,945	76,457	19	R
Yanlord PRELAND <sup>(1)</sup> 仁恒·叙澜庭 <sup>(1)</sup>	2,453 (R) and commercial complex	10	3rd Quarter 2026	331,914	646,173	16	R,O,S,H
<b>Taicang</b>							
Yanlord Central Lake 仁恒时代天镜	1,434 (R) and commercial complex	60	3rd Quarter 2024	174,312	310,729	46	R,O,H
<b>Tangshan</b>							
Tangshan Nanhu Eco-City - Land Parcels A11, A14 and A15 <sup>(1)</sup> 唐山南湖生态城,A11、A14及A15地块 <sup>(1)</sup>	230 (S+H) and office suites	50	Dec-23	32,964	45,324	28	O,S,H
<b>Tianjin</b>							
Star Century 恒美雅苑	780	51	2nd Quarter 2024	53,201	95,979	28	R
Yilu Gardens <sup>(1)</sup> 依潞花园 <sup>(1)</sup>	1,452	25	Dec-23	55,189	109,165	66	R
<b>Wuhan</b>							
The Yangtze Garden (Phase 1) 仁恒滨江园,一期	249	50	1st Quarter 2024	10,875	48,999	40	R
The Yangtze Garden (Phase 2) 仁恒滨江园,二期	Office suites and retail shops	50	1st Quarter 2024	11,303	52,770	36	O,S
Yanlord Elegant Villa <sup>(1)</sup> 仁恒西湖山居 <sup>(1)</sup>	469	25	Dec-23	79,247	79,072	21	R

## PROPERTIES UNDER DEVELOPMENT (Cont'd)

Project	Description (units)	Interest Attributable (%)	Actual/ Estimated Completion Date	Site Area (sqm)	GFA (sqm)	Percentage of Completion (%)	Type
<b>Wuxi</b>							
Central Lake 星湖雅园	1,145	51	1st Quarter 2024	86,898	167,376	38	R,S
Majestic Mansion 海和清舒院	194	51	2nd Quarter 2024	36,901	41,646	31	R
Marina One <sup>(1) (6)</sup> 清源听澜居 <sup>(1) (6)</sup>	867 (R), lofts and retail shops	15	3rd Quarter 2025	118,500	242,858	10	R,S,H
Tang Song <sup>(7)</sup> 山棠雅园 <sup>(7)</sup>	1,152 (R) and retail shops	51	3rd Quarter 2025	198,167	217,965	11	R,S
THE ALTSTADT <sup>(1)</sup> 耕读锦绣院 <sup>(1)</sup>	Residential	1	4th Quarter 2026	74,014	131,591	1	R
<b>Yancheng</b>							
Yanlord The Mansion in Park 星岸家园	1,551	51	4th Quarter 2025	114,710	272,362	18	R
Yanlord Riverside Gardens (Phase 1) 仁恒河滨花园,一期	916	51	1st Quarter 2024	51,913	143,218	76	R,S
Yanlord Riverside Gardens (Phase 2) 仁恒河滨花园,二期	844	51	1st Quarter 2027	54,435	124,461	9	R
<b>Yangzhou</b>							
Park In City <sup>(8)</sup> 江湾茗湖雅园 <sup>(8)</sup>	564	50	2nd Quarter 2024	54,460	88,241	13	R,S
<b>Zhongshan</b>							
Four Seasons Park (Phase 1C) <sup>(1)</sup> 星月万像花苑 <sup>(1)</sup>	1,179	30	Sep-23	47,298	129,400	85	R,S
Four Seasons Park (Phase 2) <sup>(1)</sup> 星月四季花苑 <sup>(1)</sup>	824 (R) and retail shops	30	3rd Quarter 2025	64,858	88,125	7	R,S
<b>Zhuhai</b>							
Yanlord The Great Bay (Phase 1) 仁恒滨海湾花园,一期	Residential and retail shops	100	1st Quarter 2024	34,805	132,684	33	R,S
<b>Subtotal (PRC)</b>				<b>3,117,610</b>	<b>5,965,958</b>		
<b>Singapore</b>							
Dairy Farm Residences <sup>(4)</sup> 岱莉轩 <sup>(4)</sup>	489 (R) and retail shops	100	Jun-23	19,648	41,260	91	R,S
Leedon Green <sup>(1)</sup> 绿墩雅苑 <sup>(1)</sup>	638	50	Jun-23	30,357	49,011	90	R
<b>Subtotal (Non-PRC)</b>				<b>50,005</b>	<b>90,271</b>		
<b>Total</b>				<b>3,167,615</b>	<b>6,056,229</b>		

R = Residential  
O = Office and Conference Centre  
S = Shop and Retail  
H = Hotel and Serviced Apartment  
N = Others (Including Tourism Attraction and Medical Centre)

**Notes:**

- <sup>(1)</sup> Being held under associate or joint venture
- <sup>(2)</sup> Formerly known as Shanghai Minhang District Minhang New City Meilong Community MHPO-0303 Unit 01-25-02 Land (上海闵行区闵行新城梅陇社区MHPO-0303单元01-25-02地块)
- <sup>(3)</sup> Formerly known as Shenzhen Longgang District Redevelopment Project (Phase 3) (深圳龙岗区 - 城中村改造项目, 三期)
- <sup>(4)</sup> Consists of properties held for investment with unexpired terms of lease between 33-35 years as at December 31, 2022
- <sup>(5)</sup> Formerly known as Suzhou No. 2021-WG-17 Land (苏No. 2021-WG-17号地块)
- <sup>(6)</sup> Formerly known as Wuxi No. 2021-52 XDG-2021-68 Land (锡国土(经)2021-52 XDG-2021-68号地块)
- <sup>(7)</sup> Formerly known as Cheng No. 2021-C-7 Land (澄No. 2021-C-7号地块)
- <sup>(8)</sup> Formerly known as Yangzhou West District New District Xiangming Lake Project (扬州西区新城香茗湖项目)



## PROPERTIES HELD FOR FUTURE DEVELOPMENT

Project	Description (Units)	Interest Attributable %	Site Area (sqm)	GFA (sqm)	Type
<b>Haikou</b>					
Yanlord Gardens (Phase 3) 仁恒滨江园,三期	136 (R) and retail shops	70	35,615	66,628	R,S
<b>Hangzhou</b>					
Hangzhou Bay Medical Land Parcels - Commercial Complex <sup>(1)</sup> 前湾国际医疗园 - 商业综合体 <sup>(1)</sup>	Office suites and self-operating hotel	30	41,512	93,864	O,H
<b>Nanjing</b>					
Nanjing No.2016G84 Land Parcels - B and G 南京2016G84号地块-B及G	Commercial complex and tourism	51	251,141	319,279	O,S,H,N
Yanlord Phoenix Hill (Phase 2 to 4) 凤凰山居,二至四期	825	51	372,397	186,693	R,S
Nanjing Jiangbei New District No.G03 Land Parcels <sup>(1)</sup> 南京江北新区G03号地块 <sup>(1)</sup>	522 (R) and retail shops	10	45,814	88,798	R,S
Nanjing Jiangning No.2022G93 Land <sup>(1)</sup> 南京江宁2022G93号地块 <sup>(1)</sup>	Residential and retail shops	5	74,783	143,056	R,S
<b>Nantong</b>					
Nantong Zhongchuang No.CR22006 Land <sup>(1)</sup> 南通中创CR22006号地块 <sup>(1)</sup>	462 (R) and retail shops	10	52,971	87,430	R,S
Nantong Rugao No.R2022036 Land <sup>(1)</sup> 南通如皋R2022036号地块 <sup>(1)</sup>	428	5	44,571	79,287	R
<b>Sanya</b>					
Hainan Beautycrown Cultural Tourism Land Parcels <sup>(1)</sup> 海南美丽之冠文化旅游区地块 <sup>(1)</sup>	Resorts and tourism	55	66,629	44,633	S,H,N
<b>Shenyang</b>					
Orchard Manor 锦绣山庄	Villas	99	74,688	29,875	R
<b>Shenzhen</b>					
Yanlord Landmark 仁恒置地广场	Under planning	100	2,513	13,680	R,O,S
<b>Suzhou</b>					
Suzhou No.2022-WG-27 Land <sup>(1)</sup> 苏地2022-WG-27号地块 <sup>(1)</sup>	364	1	28,992	52,307	R
<b>Tianjin</b>					
Tianjin Hong Qiao Land (Phase 2) <sup>(1)</sup> 红咸雅苑,二期 <sup>(1)</sup>	Retail shops and serviced apartments	25	33,713	56,760	S,H
The Mansion In Park (Phase 2) <sup>(1)</sup> 仁恒公园世纪,二期 <sup>(1)</sup>	Office suites and retail shops	50	30,272	66,185	O,S
The Mansion In Park (Phase 3) <sup>(1)</sup> 仁恒公园世纪,三期 <sup>(1)</sup>	Hotel	50	32,699	53,858	H
<b>Zhuhai</b>					
Yanlord The Great Bay (Phase 1 and 2) 仁恒滨海湾花园,一及二期	Residential and office suites	100	100,287	195,131	R,O
<b>Subtotal (PRC)</b>			<b>1,288,597</b>	<b>1,577,464</b>	
<b>Singapore</b>					
Lentor Central Residential Site <sup>(1) (2)</sup>	470	26	13,444	40,333	R
<b>Total</b>			<b>1,302,041</b>	<b>1,617,797</b>	

### Notes:

<sup>(1)</sup> Being held under associate or joint venture

<sup>(2)</sup> Being no Chinese name available

# PROFILE OF THE BOARD OF DIRECTORS



## ZHONG SHENG JIAN

### **Chairman and Chief Executive Officer**

Member of Nominating Committee

Member of Risk Management and Sustainability Committee

**Date When First Appointed:** February 13, 2006

**Date of Last Re-election:** April 29, 2021

**Country of Principal Residence:** Singapore

**Familial Relationship:** Father of Mr. Zhong Ming and Mr. Zhong Iek Ka, both Executive Directors of Yanlord Land Group Limited, uncle of Mr. Zhong Siliang, an Executive Director of Yanlord Land Group Limited, and uncle of Ms. Wei Lijing, a Director of principle subsidiaries of Yanlord Land Group Limited

Mr. Zhong Sheng Jian (65) is the founder of Yanlord Land Group Limited and is responsible for the overall management and strategic development of the Group. Since the 1980s, Mr. Zhong has founded and established a number of businesses in trading, manufacturing and real estate spanning the People's Republic of China, Singapore and Hong Kong SAR. He started property development business in the early 1990s through the setting up of offices in Shanghai and Nanjing of the People's Republic of China, which are now part of the Singapore Exchange mainboard-listed Yanlord Land Group Limited.

In recognition of his contribution to various parts of China, Mr. Zhong has been awarded with Honorary Citizenships in Nanjing, Zhuhai, Shanwei and Suzhou in the People's Republic of China. In 2005, he was also awarded with the Magnolia Silver Award in Shanghai for his contributions to the Municipal City of Shanghai. In 2010, Mr. Zhong was named and awarded the Singapore Businessman of the Year 2009. In 2015, Mr. Zhong was awarded with the Public Service Medal (Pingat Bakti Masyarakat), a Singapore National Day Award.

Mr. Zhong is a Council Member of several Singapore-China Investment and Trade Councils, including Singapore-Sichuan Trade & Investment Committee, Singapore-Tianjin Economic & Trade Council, Singapore-Jiangsu Cooperation Council, Singapore-Guangdong Collaboration Council, Singapore-Zhejiang Economic and Trade Council and Singapore-China Business Council. He is also the Honorary President of Teochew Poit Ip Huay Kuan, the Honorary Chairman of Hai Lu Feng Association Singapore, the Honorary Chairman of Tan Kah Kee Foundation, the Vice President of Singapore Federation of Chinese Clan Associations, a Director of Business China and a Council Member of Singapore Chinese Chamber of Commerce & Industry. Mr. Zhong was also the Vice Chairman of Singapore Chinese Cultural Centre, a Director of Sun Yat Sen Nanyang Memorial Hall Company Limited and a Member of the Board of Trustee of the Chinese Development Assistance Council.





## ZHONG SILIANG

### Executive Director

**Date When First Appointed:** May 11, 2006  
**Date of Last Re-election:** April 28, 2022  
**Country of Principal Residence:** Singapore  
**Familial Relationship:** Nephew of Mr. Zhong Sheng Jian, the Chairman and Chief Executive Officer and a substantial shareholder of Yanlord Land Group Limited, cousin of Mr. Zhong Ming and Mr. Zhong lek Ka, both Executive Directors of Yanlord Land Group Limited, and cousin of Ms. Wei Lijing, a Director of principle subsidiaries of Yanlord Land Group Limited

Mr. Zhong Siliang (45) joined in 2005 as an Assistant General Manager of Investments Department of the Group and in this capacity, he was responsible for evaluating new business developments and conducting feasibility studies on potential investments.

Mr. Zhong Siliang is currently responsible for establishing relations with architectural firms, real estate consultants and the district and national government officials, for the execution of the Group's investments in the People's Republic of China. He has been working closely with the Chairman and Chief Executive Officer, Mr. Zhong Sheng Jian, for over 15 years and assists in the Group's decisions. In addition, Mr. Zhong Siliang has been responsible for overall operations of the property development business in Shenzhen and overseeing the Group's business in Hainan. He is the Deputy Director for operations of the Group since 2007 and is also a Director of various companies of the Group in the People's Republic of China and Singapore.

Mr. Zhong Siliang holds a Master's Degree from the Washington University-Fudan University EMBA programme and a Bachelor's Degree in Business Administration from the University of Portsmouth, England.



## ZHONG MING

### Executive Director

**Date When First Appointed:** October 1, 2016  
**Date of Last Re-election:** April 28, 2022  
**Country of Principal Residence:** Singapore  
**Familial Relationship:** Son of Mr. Zhong Sheng Jian, the Chairman and Chief Executive Officer and a substantial shareholder of Yanlord Land Group Limited, brother of Mr. Zhong lek Ka, an Executive Director of Yanlord Land Group Limited, cousin of Mr. Zhong Siliang, an Executive Director of Yanlord Land Group Limited, and cousin of Ms. Wei Lijing, a Director of principle subsidiaries of Yanlord Land Group Limited

Since 2013, Mr. Zhong Ming (36) has been holding various positions from property development to property management within the Group, and is currently a Director of various companies of the Group in the People's Republic of China, Singapore, Australia, United States of America and Hong Kong SAR. Mr. Zhong Ming oversees the execution of the Group's overall strategies and its operations at the city level with primary focus on businesses in Nanjing, Yangzhou, Wuhan and Chengdu, the People's Republic of China. He also manages and leads the Group's property development, management and operations in Singapore.

Mr. Zhong Ming is also an Independent Director of SIIC Environment Holdings Ltd., a company listed on the Hong Kong Stock Exchange and mainboard of the Singapore Exchange, and a Director of Ren Ci Hospital.

Mr. Zhong Ming graduated from the University of Melbourne with a Bachelor's Degree in Accounting and Finance.



## ZHONG IEK KA

### Executive Director

**Date When First Appointed:** June 29, 2020  
**Date of Last Re-election:** April 29, 2021  
**Country of Principal Residence:** Singapore  
**Familial Relationship:** Son of Mr. Zhong Sheng Jian, the Chairman and Chief Executive Office and a substantial shareholder of Yanlord Land Group Limited, brother of Mr. Zhong Ming, an Executive Director of Yanlord Land Group Limited, cousin of Mr. Zhong Siliang, an Executive Director of Yanlord Land Group Limited, and cousin of Ms. Wei Lijing, a Director of principle subsidiaries of Yanlord Land Group Limited

Mr. Zhong lek Ka (32) joined the Group since 2018 and has been involving in the day-to-day management of the Group's operations with primary focus on the execution of the Group's overall strategies and business operations in Shanghai and Suzhou, while overseeing the Group's business management in Hangzhou, Wuxi, Nantong and Yancheng, the People's Republic of China. Mr. Zhong lek Ka is currently a Director of several companies of the Group in the People's Republic of China, Singapore and Hong Kong SAR. Mr. Zhong lek Ka is also the Data Protection Officer of the Group.

Mr. Zhong lek Ka graduated from the University of Nottingham with a Bachelor's Degree in Law (Honours) in 2014 and practiced in Messrs Dentons Rodyk & Davidson LLP in 2016 before joining the Group in 2018.



## HEE THENG FONG

### Lead Independent Director

Member of Audit Committee  
Member of Nominating Committee  
Member of Risk Management and Sustainability Committee

Date When First Appointed: October 11, 2017

Date of Last Re-election: June 29, 2020

Country of Principal Residence: Singapore

Familial Relationship: None

Mr. Hee Theng Fong (68) is a Senior Lawyer in Singapore with over 40 years of experience. Mr. Hee is on the panel of many institutions including SIAC, CIETAC, HKIAC, SHIAC, BIAC/BAC, HIAC, CQAC, SHAC and AIAC.

He is also a Mediator, Specialist Mediator (China) and Ambassador for Singapore International Mediation Centre and Accredited Mediator for Singapore Mediation Centre. He has handled more than two hundred cases in civil litigation and arbitration as Lead Counsel or Arbitrator administered under SIAC, ICC, CIETAC, BAC and HKIAC rules. Many of the cases handled by him have been reported in Singapore Law Report. Mr. Hee is currently an Independent Arbitrator and Mediator with The Arbitration Chambers.

Mr. Hee also serves as an Independent Director on the boards of companies listed on the mainboard of the Singapore Exchange namely, Straco Corporation Limited and China Aviation Oil (Singapore) Corporation Ltd. Mr. Hee is an Independent Director of Haidilao International Holding Ltd. and Huazhu Group Limited, both listed on the Hong Kong Stock Exchange. Mr. Hee was also an Independent Director of First Resources Limited, APAC Realty Limited, Tye Soon Limited and Zheneng Jinjiang Environment Holding Company Limited. He has been regularly invited to speak on directors' duties and corporate governance.

Mr. Hee is a Director of F & H Singhome Fund II Ltd. and Green Link Digital Bank Pte. Ltd.. He is also the Deputy Chairman of Singapore Medishield Life Council, a Member of ACRA's Complaints and Disciplinary Panel as well as a Member of Advisory Committee for the China Ready Programme and a Member of the Joint Singapore-China Experts Team formed by the Ministry of Law and the China Council for the Promotion of International Trade.

Mr. Hee graduated in 1979 from the Law Faculty of the then University of Singapore (Honours). He is also a holder of a Diploma in PRC Law.



## HONG PIAN TEE

### Independent Non-Executive Director

Chairman of Audit Committee  
Member of Remuneration Committee  
Member of Risk Management and Sustainability Committee

Date When First Appointed: September 1, 2018

Date of Last Re-election: April 28, 2022

Country of Principal Residence: Singapore

Familial Relationship: None

Mr. Hong Pian Tee (78) was a partner of PricewaterhouseCoopers from 1985 to 1999 prior to his retirement on December 31, 1999.

Mr. Hong's experience and expertise are in corporate advisory, financial reconstruction and corporate insolvencies since 1977. He has been a corporate/financial advisor to clients with businesses in Singapore and Indonesia, and in addition, was engaged to restructure companies with operations in Taiwan, Indonesia and Malaysia.

Mr. Hong is currently the Chairman of Pei Hwa Foundation Limited and serves as the Lead Independent Director of other companies listed on the Singapore Exchange namely, Sinarmas Land Limited, YHI International Limited, XMH Holdings Ltd. and Hyflux Ltd (in liquidation).

Mr. Hong was previously a Non-Executive Chairman and an Independent Director of AsiaPhos Limited, an Independent Director of Golden Agri-Resources Ltd and an Independent Director of Memstar Technology Ltd..





## TEO SER LUCK

### **Independent Non-Executive Director**

Chairman of Remuneration Committee  
Member of Audit Committee  
Member of Nominating Committee

Date When First Appointed: February 26, 2020

Date of Last Re-election: June 29, 2020

Country of Principal Residence: Singapore

Familial Relationship: None

Mr. Teo Ser Luck (54) is an entrepreneur and investor. He is currently the Independent Non-Executive Chairman of BRC Asia Limited, Independent Non-Executive Acting Chairman of Serial System Ltd, Lead Independent Director of China Aviation Oil (Singapore) Corporation Ltd and an Independent Director of Straco Corporation Limited, companies listed on the mainboard of the Singapore Exchange. Mr. Teo also serves on the board of Super Hi International Holding Ltd., a company listed on the Hong Kong Stock Exchange. He is the President of the Council to the Institute of Singapore Chartered Accountants (ISCA) and an Advisor to Singapore FinTech Association.

Mr. Teo was formerly the Minister of State for Ministry of Trade and Industry, Senior Parliamentary Secretary in the Ministry of Transport and Ministry of Community Development, Youth and Sports, Minister of State for Ministry of Manpower, Mayor of the North East District of Singapore, Chairman of Singapore-Shandong Bilateral Business Council and Vice Chairman of Singapore-Jiangsu Bilateral Business Council. Mr. Teo was also the Lead Independent Director of MindChamps PreSchool Limited and United Engineers Limited, a subsidiary then listed on the mainboard of the Singapore Exchange.

Mr. Teo holds a Degree in Accountancy from Nanyang Technological University (NTU). He spent 15 years in the private sector before being elected as a Member of the

Parliament of Singapore and appointed as a full-time political office holder for 11 years. He returned to the private sector in July 2017 and remained as a Member of the Parliament till June 2020.

Throughout his private sector career, Mr. Teo has taken on management positions as head of sales, marketing, business operations before progressing to lead and oversee companies as Regional Director, General Manager and Managing Director of multi-national operations in the Asia Pacific. He has worked in Hong Kong SAR, the People's Republic of China, Thailand and India, and has helped to start companies. He was also the Founding Investor of a listed multi-national software company. Prior to politics, he was overseeing DHL Express (Singapore) Pte Ltd.

Mr. Teo was recognised as a young global leader by the World Economic Forum for his contribution to the business and community services sectors. He also received the Outstanding Young Alumni Award and subsequently received the outstanding alumni award from his alma mater, NTU for continuing to make a difference in public service. While in the private sector, he has also received accolades as a global outstanding manager in business and operational excellence.

He is an avid sportsman, competes in endurance races and loves to read.



## CHUA TAIK HIM

### Independent Non-Executive Director

Chairman of Risk Management and Sustainability Committee  
Member of Audit Committee  
Member of Remuneration Committee

Date When First Appointed: April 29, 2021

Date of Last Re-election: April 28, 2022

Country of Principal Residence: Singapore

Familial Relationship: None

Mr. Chua Taik Him (67) is currently Chairman of Risa Partners Asia Pte. Ltd., a Singapore-based investment management company with focus on private equity, real estate and venture capital.

Mr. Chua Taik Him was Senior Advisor of Enterprise Singapore between April 2018 and March 2019. He was the Deputy Chief Executive Officer of International Enterprise Singapore from 1 July 2007 to 31 March 2018. He has vast experiences in assisting companies to build capabilities, innovate and internationalise.

Mr. Chua was also previously Assistant Managing Director of the Singapore Economic Development Board (EDB). He held senior appointments in several areas, including industry development, international business development and enterprise development. He was Economic Counsellor at the Embassy of the Republic of Singapore in Japan from 1984 to 1992.

Since 1996, Mr. Chua has served on the boards of several enterprises involving multi-national companies and local enterprises. These includes chairmanship of Seeds Capital Pte. Ltd. and board memberships of the Intellectual Property Academy, Chevron Phillips Singapore Chemicals (Private) Limited, Hitachi Semiconductor (Suzhou) Co Ltd, CrimsonLogic and Ascent Solutions Pte. Ltd.. He was also the Co-Chairman of the Asia Infrastructure Centre of Excellence of the Asian Development Bank.

Mr. Chua obtained his Bachelor of Engineering (Electronics) from the University of Tokyo in 1977 under the PSC scholarship. He subsequently obtained Master of Business Administration from the University of Toronto under the university fellowship. He is a graduate of Advanced Management Programme from Harvard Business School.

Mr. Chua has contributed significantly to the internationalisation and the development of enterprises ecosystem in Singapore. He was awarded the Public Administration - Silver (Pingat Pentadbiran Awam - Perak) in 1993 and the Public Administration Medal - Gold (Pingat Pentadbiran Awam - Emas) in 2007.



## TAN CHIN SIONG

### Independent Non-Executive Director

Chairman of Nominating Committee  
Member of Audit Committee  
Member of Remuneration Committee

Date When First Appointed: April 29, 2021

Date of Last Re-election: April 28, 2022

Country of Principal Residence: Singapore

Familial Relationship: None

Mr. Tan Chin Siong (64) began his career at the People's Association in 1983 and undertook various leadership positions. In 1992, he was Deputy Executive Director of the Chinese Development Assistance Council and became its Executive Director in 1997. He also concurrently served as Chief Executive Officer of Business China from 2007 to 2009. He received the Public Service Medal (Pingat Bakti Masyarakat) in 2002. He relinquished both portfolios in 2009 when he was appointed to the political office.

In 2006, Mr. Tan was elected Member of Parliament and subsequently appointed Parliamentary Secretary for Trade and Industry, and Information, Communications and the Arts in July 2009. In November 2010, he was promoted to Senior Parliamentary Secretary for both portfolios. He served as Senior Parliamentary Secretary for Ministry of Community, Youth and Sports from 2011 to 2012, Ministry of Foreign Affairs from 2011 to 2014 and Ministry of Culture, Community and Youth from 2012 to 2014. He served as Mayor of Central Singapore District from 2012 to 2014.

Mr. Tan was appointed as Minister of State in the Prime Minister's Office from 2014 to 2018, Culture, Community and Youth from 2014 to 2015 and Ministry of Manpower from 2015 to 2018. Mr. Tan was appointed as Minister of State for Ministry of Foreign Affairs and Ministry of Social and Family Development in 2017 and 2018, respectively. He also served as Chairman of Government Feedback Unit REACH from 2015 to 2020. Mr. Tan retired from politics in July 2020. Mr. Tan is currently Singapore's Non-Resident High Commissioner to Canada and Singapore's Special Envoy for Arctic Affairs of the Ministry of Foreign Affairs.

Mr. Tan graduated with a Bachelor of Arts (Honours) from the National University of Singapore in 1983.



# SENIOR MANAGEMENT

## ZHANG HAO NING

Executive Vice President

Mr. Zhang Hao Ning, who joined Yanlord in 1994, has been an Executive Vice President of the Group since May 2012 and is responsible for overall management of residential and commercial development and operation of the Group, including product development, construction and cost management, sales management, customer services as well as cultural tourism. Mr. Zhang is also responsible for overseeing the Group's environmental, social and governance matters and leads the ESG Management Committee. Prior to this, Mr. Zhang was the General Manager of Nanjing operations since 2005 and was responsible for the overall management of businesses and operations of Yanlord in Nanjing. He was the Assistant General Manager of Nanjing operations of Yanlord between 2000 to 2005, and the Manager of Nanjing operations department from 1994 to 2000. Prior to joining Yanlord, between 1990 and 1994, Mr. Zhang was in charge of the design works of Architecture Design Institute in Nanjing and also worked as a Cost Engineer in the institution; and also worked in Hong Kong Changjiang Pte. Ltd. in Nanjing, responsible for management of engineering budgets and design works. Mr. Zhang graduated from Southeast University in the People's Republic of China in 1990, major in Industrial and Civil Architecture and obtained a Master's Degree in Political Economics from the School of Business of Nanjing University in the People's Republic of China in 1995. He is also a Cost Engineer registered with the Jiangsu Department of Personnel since 1998.

## XIE XUEMING

Vice President

Mr. Xie Xueming has been a Vice President of the Group since July 2018 and is responsible for financial management, legal, commercial and hospitality of the Group. Prior to joining Yanlord, Mr. Xie was the Vice President and Chief Financial Officer of Yuyuan Tourist Mart Co., Ltd., a company under Fosun Group, from 2015 to 2018, and was responsible for corporate finance, investment and financing, capital management and operational control. Between 2014 to 2015, Mr. Xie was in charge of finance of Sincere Property Holding Group, overseeing corporate finance, operational control, capital management, tax management and etc.. Between 2012 to 2014, Mr. Xie served as Assistant to General Manager of Shanghai Industrial Urban Development Group Limited and was responsible for the corporate finance, investment and financing of its Hong Kong Stock Exchange listed company. Between 2003 to 2012, Mr. Xie served as Senior Manager of corporate finance department of Guangzhou Yuexiu Group and was in charge of corporate finance, investment and financing and capital operation of listed company. Mr. Xie graduated from Beijing Jiaotong University with a Bachelor's Degree in Financial Management in 2003. He obtained his Master in Business Administration Degree from Shanghai Jiaotong University in 2016.

## RUAN XINKUN

Vice President  
Regional General Manager -  
Shanghai region

Mr. Ruan Xinkun joined Yanlord in April 2000. Mr. Ruan was appointed Vice President of the Group in June 2022 and is responsible for the Group's investment. In February 2023, the offices of Yanlord in Shanghai and Suzhou merged and named as Shanghai regional office, and Mr. Ruan takes on the role as the Regional General Manager in-charge of this regional office to responsible for overall management of businesses and operations of Yanlord in Shanghai, Hangzhou and Changshu in addition to existing Suzhou, Taicang, Wuxi, Nantong and Yancheng. Prior to this, Mr. Ruan was the General Manager of Suzhou operations of Yanlord since February 2021. Mr. Ruan was the Assistant General Manager, Deputy General Manager and Executive Deputy General Manager of Suzhou operations of Yanlord from 2003 to 2014 and was responsible for cost management, finance, sales and business development. In 2014, Mr. Ruan was appointed the General Manager of Nantong operations of Yanlord and has been responsible for the overall management of businesses and operations in Nantong. During this period, he led his team to expand into Taicang and Yancheng and was responsible for overall management of businesses and operations in these three cities. Prior to joining Yanlord, Mr. Ruan served as a Department Manager of Chuxiong Renheng Fertilizer Co., Ltd. and an Executive Director of Suzhou Renheng Qingling Motor Trading Co. Ltd. Mr. Ruan completed advanced course in Business and Administration at Suzhou University in 2017.

**CHEN PING**

Executive Vice President

Mr. Chen Ping, who joined Yanlord in 1994, has been an Executive Vice President of the Group since January 2013 and is responsible for the Group's property management business. Prior to this, Mr. Chen was the General Manager of Shanghai operations of Yanlord between 2004 and 2013. Between 1994 and 2004, Mr. Chen was a Sales Manager of Shanghai operations of Yanlord. Before joining the Group, Mr. Chen was an Engineer of Shanghai Xin Hu Steel Factory. Mr. Chen graduated from Tongji University, Shanghai, major in Civil and Industrial Engineering.

**CHAN CHI WAI, JIM**

Group Financial Controller

Mr. Jim Chan has been the Group Financial Controller of Yanlord since 2003. He is responsible for day-to-day finance, corporate finance and accounting functions of the Group. Mr. Jim Chan has extensive working experience in accounting, financial management and corporate finance. Prior to joining Yanlord, Mr. Jim Chan was the Financial Controller of Komark Hong Kong Co., Ltd, a subsidiary of Komarkcorp Berhad, a multi-national company listed in Malaysia and the Senior Accountant at Cathay International Limited, a multi-national company with investments in the United Kingdom and the People's Republic of China from 1997 to 2003. He was a Senior Audit Accountant at PricewaterhouseCoopers from 1993 to 1997. Mr. Jim Chan graduated with a Bachelor's Degree of Arts in Accountancy from the City University of Hong Kong in 1993. He is a Certified Public Accountant registered with the Hong Kong Institute of Certified Public Accountants and a fellow of the Association of Chartered Certified Accountants, Hong Kong.

**SZE KA PING**

Head of Investor Relations

Ms. Sze Ka Ping rejoined Yanlord in June 2020 as Head of Investor Relations of the Group and is responsible for investor relations, corporate finance and corporate communication matters of the Group. She was previously Head of Investor Relations and Assistant to Chief Executive Officer of Yanlord from 2006 to 2009. Prior to rejoining Yanlord, Ms. Sze was the Head of Investor Relations and General Manager of Shui On Land Limited from 2010 to May 2020. Ms. Sze was a Director of CBRE Limited in the valuation and advisory department covering Greater China region from 2004 to 2006 and has extensive experience in real estate consultancy in the region. Ms. Sze graduated from the Chinese University of Hong Kong with a Bachelor's Degree of Social Science in 1996 and obtained her Master's Degree of Business Administration from Kellogg-HKUST Executive MBA Program in 2009.

**SAU EAN NEE**

Head of Legal and Compliance and Group Company Secretary

Ms. Sau Ean Nee joined Yanlord Land Group Limited in January 2019 as Company Secretary and is the Group's head of legal and compliance department in Singapore. Ms. Sau has extensive experience in managing group-wide legal and corporate affairs, particularly in corporate regulatory and compliance, corporate and commercial transactions, fund raising, joint ventures, mergers and acquisitions, corporate restructuring and commercial strategy. Prior to joining Yanlord, Ms. Sau has spent more than 20 years in large-cap and mid-cap companies listed on the stock exchange of Singapore, Malaysia and Japan, where she held senior positions including Group Company Secretary and Vice

President for Legal, Secretariat, Public Relations and Corporate Affairs, after her several years of professional practice in a reputable law firm and corporate advisory arm of a big-four audit firm. Ms. Sau graduated with a Bachelor of Laws degree with Honours from the University of London, United Kingdom and holds a Certificate in Legal Practice from the Malaysian Legal Profession Qualifying Board. She is also a chartered member of The Chartered Governance Institute UK & Ireland and an associate of the Chartered Secretaries Institute of Singapore.

**SENIOR MANAGEMENT IN THE PRC AND SINGAPORE****GAO YONGJUN**

Regional General Manager - Nanjing region

Mr. Gao Yongjun was appointed the Regional General Manager of Yanlord's Nanjing regional office in December 2022 and is responsible for overall management of businesses and operations of Yanlord in Nanjing, Wuhan, Chengdu and Yangzhou. Prior to this appointment, he was the General Manager of Yanlord's Nanjing operations since May 2012 and responsible for the operations of Yanlord in Yangzhou since 2021. Mr. Gao was the General Manager of Sanya operations of Yanlord from March 2010 to January 2020. Mr. Gao joined Yanlord in March 1998 and worked as Project Manager, Manager of engineering department and Assistant General Manager of Nanjing subsidiary over the years, taking charge of project development, landscaping and etc.. Between December 2006 and March 2010, Mr. Gao was the Deputy General Manager of operations of Yanlord in Nanjing. Mr. Gao graduated from Yangzhou University in 1993, major in Industrial and Civil Engineering.



## HUANG ZHONGXING

General Manager – Chengdu

Mr. Huang Zhongxing has been the General Manager of Chengdu operations of Yanlord since 2005 and is responsible for the overall management of businesses and operations of Yanlord in Chengdu. Since 2002, he served as the Assistant General Manager and later the General Manager of Yanlord Land (Chengdu) Co., Ltd.. He was also involved in daily operations of the Group's business in Chengdu. Mr. Huang has been with Yanlord since 1989. He was the Assistant General Manager of international trading business of Yanlord until 1993. For the next two years, he was the Assistant General Manager of Yanlord Industrial (Shenzhen) Co., Ltd. and was responsible for setting up of real estate and industrial centres. From 1994 to 2002, he was the Assistant General Manager of Yanlord Investment (Nanjing) Co., Ltd. and General Manager of Yanlord Property Management Co., Ltd. and was involved in the marketing, project planning and property management functions of these companies.

## LAM CHING FUNG

Chairman – Zhuhai operations

Mr. Lam Ching Fung joined Yanlord since 1995 and currently is the Chairman of Zhuhai operations of Yanlord. He oversees the overall management of businesses and operations of Yanlord in Zhuhai and Zhongshan. Mr. Lam was the General Manager of Zhuhai operations of Yanlord from 2005 to 2019, responsible for the overall management of the businesses and operations in Zhuhai and Zhongshan.

He was previously a Director of the Zhuhai Special Economic Zone Longshi Bottle Capping Factory and was also responsible for the overall management of its business. Mr. Lam completed an executive course under Advanced Business Management Programme conducted by Shenzhen Qinghua University, Zhuhai campus.

## XIANG HUI

General Manager – Zhuhai

Mr. Xiang Hui, who joined Yanlord in 2011, was appointed the General Manager of Zhuhai operations since February 2021 and is responsible for the overall management of businesses and operations of Yanlord in Zhuhai and Zhongshan. Mr. Xiang was the Deputy General Manager and General Manager of operations department of the Group from August 2017 to January 2021. Previously, Mr. Xiang served in various managerial positions including Cost Manager, Operation and Assistant General Manager at Suzhou operations of Yanlord from 2011 to January 2021. Prior to joining Yanlord, Mr. Xiang was with Wuxi Wanda Commercial Plaza Investment Co., Ltd., responsible for early-stage investment marketing, procurement and cost control from 2010 to 2011. Mr. Xiang was with Suzhou Xiecheng Engineering Cost Consulting Company from 2007 to 2009 and assumed the role of Project Manager at Lianyungang Water Construction Company from 2000 to 2005. Mr. Xiang graduated from Yangzhou University major in Construction Cost Management in 2000 and received a Master's Degree in Engineering from Suzhou University of Science and Technology in 2016. In September 2013, Mr. Xiang obtained the Project Management Professional Qualification Certification.

## LIN JUN TING

Regional Executive Director – North region

Mr. Lin Jun Ting was appointed the Executive Director of Yanlord's North regional office in December 2022 and oversees the overall management of businesses and operations of Yanlord in Tianjin, Tangshan, Jinan and Shenyang. Prior to this, Mr. Lin was the General Manager of Tianjin, Jinan and Tangshan operations of Yanlord since 2017 and was responsible for the overall planning and management of businesses in these three cities. Mr. Lin served as the Assistant General Manager of Tianjin operations of Yanlord from June 2004 to June 2014. Prior to joining Yanlord, he served as Director and General Manager of Hong Kong Art and Decoration Co. Ltd. between 2001 and 2003. Before that, Mr. Lin worked as Director and General Manager of a catering management company in Canada. Mr. Lin graduated from LaSalle College of Montreal Canada in 1993 and major in Hotel Management.

## YANG JUN

Regional General Manager - North region

Mr. Yang Jun, who joined Yanlord in 2019, was appointed the Regional General Manager of Yanlord's North regional office in December 2022. He is responsible for the overall management of businesses and operations of Yanlord in Tianjin, Tangshan, Jinan and Shenyang. Prior to this, Mr. Yang was the General Manager of the Group's investment management department between 2020 and 2022. He was the Deputy General Manager of Yanlord's Tianjin subsidiary between 2019 and 2020. Prior to joining Yanlord, Mr. Yang was the Regional Investment General Manager of Ping An Real Estate, overseeing the business development between 2016 and 2019. Mr. Yang was the Deputy General Manager of Haihe Real Estate and was in charge of its

overall management. Mr. Yang graduated from Tianjin Chengjian University with a Bachelor's Degree in Engineering Management in 2003. He obtained a Master Degree in Engineering Management from Tianjin University in 2012.

### DENG WEIWEN

General Manager – Shenzhen and Haikou

Mr. Deng Weiwen, who joined Yanlord in November 2007, was appointed the General Manager of operations of Yanlord in Shenzhen since May 2022, in addition as the General Manager of operations of Yanlord in Haikou, and is responsible for the overall management of businesses and operations of Yanlord in Shenzhen, Haikou and Sanya. He has been responsible for the overall management of operations in Haikou and Sanya since 2017 and January 2021, respectively. Previously, Mr. Deng assumed the role as the Manager of the engineering department as well as the role as Assistant General Manager for operations of Yanlord in Shenzhen in 2008 and was responsible for engineering, design, cost management and business development. Prior to joining Yanlord, Mr. Deng was with China Overseas Real Estate from 1999 to 2007, where he held positions such as Manager of engineering department in its companies in Hong Kong SAR and Nanjing. From 1992 to 1999, Mr. Deng served in China Construction No. 5 Engineering Bureau as the Deputy Chief Engineer of its subsidiary, responsible for project management and engineering technology. Mr. Deng graduated from Changsha University of Science and Technology in 1992, with a Bachelor's Degree in Civil and Industrial Construction. He is a qualified intermediate Engineer.

### LIU JICHAO

General Manager – Wuhan

Mr. Liu Jichao has been appointed the General Manager of Wuhan operations of Yanlord since March 2017 and is responsible for the overall management of businesses and operations of Yanlord in Wuhan. Mr. Liu joined Yanlord in March 2002 as a Project Manager in the Group's Nanjing subsidiary and has assumed numerous roles including the Manager of the engineering department in 2008 and Assistant to General Manager in 2010 before assuming the role as the Deputy General Manager of Nanjing operations of Yanlord in 2012, responsible for project development, cost management and business operations. Between 1995 and 2002, Mr. Liu held various managerial positions of civil engineering projects at Nanjing Dadi Construction Group and Nanjing Overseas Construction Engineering Co., Ltd. Mr. Liu graduated from China University of Mining and Technology in 1995 and major in Civil Engineering.

### TAN CHEE KEONG, ROY

Group Managing Director of United Engineers Limited

Mr. Roy Tan has been appointed the Group Managing Director of United Engineers Limited and its group of companies ("UEL Group") since October 2017 and is responsible for the overall operational and financial management of UEL Group. Mr. Tan has more than 20 years of experience in finance, operations management, business development and strategic planning. Prior to being appointed the Group Managing Director of UEL Group, he was the Group Chief Financial Officer responsible for finance

and other corporate functions of the UEL Group, as well as the UEL Group's strategic planning, mergers and acquisitions, new business initiatives and divestitures. In addition, he oversaw the UEL Group's property division. He had been WBL Corporation Limited's Group Chief Strategy Officer before it was integrated with the UEL Group in 2013. Before joining WBL Group in May 2006, he held various positions in OCBC Bank, ST Electronics and Phillip Capital. Mr. Tan holds a Bachelor's Degree of Arts (Honours) from University of Oxford, United Kingdom, as well as Master's Degree of Social Sciences (Applied Economics) and Master's Degree of Science (Management of Technology) from National University of Singapore. He is a FRM certified by Global Association of Risk Professionals and a CFA chartered holder.



# SUSTAINABILITY HIGHLIGHTS

Yanlord Land Group Limited (“Company” and together with its subsidiaries, “Yanlord” or “Group”) remains committed on its journey towards sustainability. Notwithstanding the challenging economic and social environment in 2022 due to COVID-19 pandemic, the Group is committed towards embedding sustainable practices across its business operations where possible, supporting its own employees, customers and local communities, and strives to uphold a robust governance over its processes.

This report provides a summary of Yanlord’s approach in managing issues relating to environmental, social and governance (“ESG”) and sustainability. The full sustainability report for the financial year ended December 31, 2022 (“FY 2022”) (“Sustainability Report”) will be published as a standalone report by April 2023, which will provide stakeholders a holistic and transparent account of the Group’s sustainability approach, initiatives and performance in the ESG aspects.

Yanlord continues to enhance quality of its sustainability disclosures and key updates to be set out in the Sustainability Report will encapsulate:

- Transitioning from Global Reporting Initiative (“GRI”) Standards 2016 to GRI Standards 2021<sup>1</sup>.
- Climate-related disclosures prepared according to the Task Force on Climate-Related Financial Disclosures recommendations which has been set out under Practice Note 7.6 Sustainability Reporting Guide of the Listing Manual of Singapore Exchange Securities Trading Limited (“Listing Manual”) where Yanlord will be taking a phased approach and start with Singapore Exchange’s recommendation for Year 1 reporters.

Yanlord has conducted an internal review over selected sustainability aspects. Yanlord has not conducted an external independent assurance for this reporting period, but will consider doing so in future as its sustainability reporting practices mature.

## REPORTING SCOPE AND PERIOD

Unless otherwise stated, the reporting scope for FY 2022 covers:

### The People’s Republic of China (“PRC”)

- Yanlord’s main business segments
  - Property Development<sup>2</sup>
  - Managed Properties<sup>3</sup>
  - Hotels and Serviced Apartments

### Singapore

- United Engineers Limited
- Yanlord Corporate Office

### Hong Kong SAR

- Yanlord Corporate Office

The reporting period is from January 1, 2022 to December 31, 2022.

## REPORTING STANDARDS

The Sustainability Report will be prepared with reference to the GRI Standards 2021 and the sustainability reporting requirements set out in the Listing Manual. In addition, the GRI G4 Construction and Real Estate (“CRE”) Sector Disclosures will also be included in the Sustainability Report. The GRI Standards 2021 were selected as it is an internationally recognised reporting framework, comprising a comprehensive range of disclosures suitable and relevant for Yanlord to communicate to its stakeholders Yanlord’s sustainability initiatives and approach to address its socioeconomic and environmental impacts on local community.

### Notes:

<sup>1</sup> GRI Standards 2021 is effective for reports published on or after January 1, 2023.

<sup>2</sup> Property Development refers to ongoing property development projects.

<sup>3</sup> Managed Properties refers to operational investment properties (including owned and managed hospitality properties).

## APPROACH TO SUSTAINABILITY

### SUSTAINABILITY GOVERNANCE

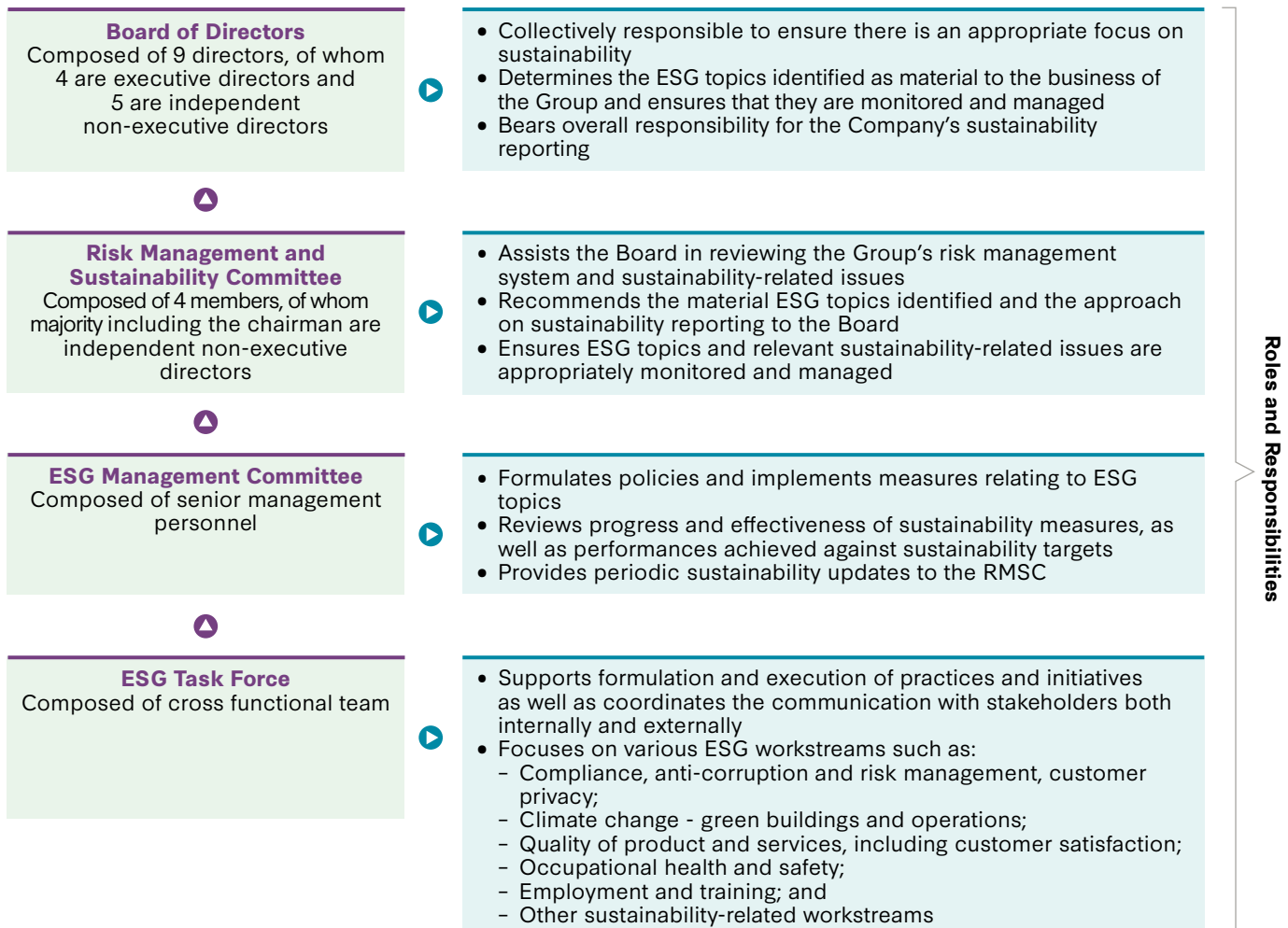
The four-tier sustainability governance structure begins at the top with the Board of Directors of the Company (“Board”), which is ultimately responsible for the Company’s sustainability reporting. The Board maintains oversight on the business affairs and strategic directions of the Group as well as determining the material ESG topics pertinent to the Group’s business on an annual basis.

The Board is supported by the Risk Management and Sustainability Committee (“RMSC”) which ensures there is an appropriate focus on sustainability by management. RMSC oversees the ESG Management Committee which comprises members of senior management personnel who formulate and supervise the policies and initiatives relating to Yanlord’s material ESG topics. Through the support of the ESG Task Force, the respective sustainability practices are shared across the respective departments and communicated to stakeholders.

Progress updates on the Sustainability Report are presented to RMSC and the Board for their consideration and approval. The progress updates include updates on the 10 material ESG topics that are pertinent to the Group’s business for FY 2022.

More details are elaborated in the sustainability governance structure below.

### Sustainability Governance Structure





## STAKEHOLDER ENGAGEMENT

Yanlord interacts with a wide range of stakeholders to better understand their interests, needs and concerns. This enables Yanlord to identify potential risks and opportunities which will effectively guide the formulation of appropriate follow-up actions. Yanlord leverages on a myriad of channels to proactively engage with key stakeholders. Further elaborations on each stakeholder group are as follows:



### Investors

Yanlord prioritises transparency and accuracy in communication with the investment community. Various channels are established to ensure timely publish of both financial and non-financial information to help Yanlord's investors to make sound judgement and investment decisions.

In line with Yanlord's continuous disclosure obligations, information that is material to the Group including those that may affect the trade, price or value of the Company's shares is made available immediately and promptly to investors, while information including but not limited to those relating to the Company's annual general meeting as well as financial results announcements are published within the stipulated period. In addition, investors are also kept abreast of Yanlord's developments through, among others, monthly key operating figures' releases, quarterly newsletters, occasional analyst and investor meetings as well as other announcements and media or press releases published to the Singapore Exchange's website and/or made available at Yanlord's corporate website. Email alert service is available for subscription by investors who wish to be notified of the SGXNET announcements published by the Company.



### Business Partners

Yanlord believes that longstanding and healthy business relationships are impactful and beneficial to the economic and ESG aspects. The Group maintains both online and offline channels such as dialogue sessions, meetings, conferences and forums to ensure timely communication with business partners to align on expectations.



### Suppliers

Yanlord works closely, and maintains long-lasting business relationships, with suppliers who adhere to regulations and environmental, health and safety ("EHS") standards. All of Yanlord's suppliers are required to conduct regular risk assessments relating to EHS. Quarterly seminars as well as peer sharing and ongoing vendor evaluation were conducted during 2022 to align expectations and foster cooperative business relationships.



### Employees

Yanlord values its employees across different levels and cares for their wellness as well as personal and professional development. Yanlord is committed to create and maintain a conducive, safe and healthy working environment for its employees, while ensuring the remuneration packages offered to its employees are fair and appropriate. Through performance appraisal system and taking into consideration corporate performance as well as relevant budget in line with the Group's business plans, the Group is able to ensure its employees' remuneration packages are commensurate with their roles, responsibilities and performance as well as the appropriateness and reasonableness of such remuneration packages, while balancing the long-term sustainability and development of the Group's business. In FY 2022, the employee training and development programs were conducted via online and offline channels amidst resurgence of COVID-19 epidemic in certain locations across the PRC. To better adapt to local market situations, Yanlord's property management teams in different cities of the PRC focused on rolling out structured training programs with unique topics to help employees at various functions acquire most relevant skillsets. The company intranet is a general communication channel between the Group and its employees, with other engagements such as dialogue sessions, counselling service and grievance handling channel are ongoing programs made available to employees to provide continuous support to them.



### Customers (residents, tenants, guests and visitors)

Yanlord commits to maintain the highest standards in products and services delivered to its customers. In FY 2022, there were various activities carried out, for instance pre-launch media and customer gala, show suites pre-viewing events and to engage customers across different markets Yanlord operates in. The Group conducts regular satisfaction surveys and leverages its integrated customer and call centres to proactively obtain feedback from its customers. In FY 2022, Yanlord's online Customer Relationship Management data platform was visited by over 80,000 customers for more than 1.9 million times. The Group's '400' customer service hotline received 4,500 incoming calls and conducted more than 60,000 outreach. All feedback received will be collected for timely review and follow up to continuously improve service levels to customers.



### Local Communities

Yanlord operates and grows its business in a socially responsible manner through efficient use and allocation of resources, with universal design for its properties that maximises the spaces for a safe and healthy lifestyle. Yanlord provides support to the local community especially during COVID-19 epidemic whereby, among others, Yanlord property management teams across many cities of the PRC geared up and formed emergency response groups to support government, local communities and individual tenants and residents. Yanlord also implements various corporate social responsibility initiatives, including collaborates with charities and non-governmental organisations for community developments. Philanthropic donations, in monetary and in-kinds, made to charitable organisations focused at alleviating poverty, increasing education and health.



### Media

Yanlord keeps both online and offline engagement channels open and active, including but not limited to annual reports, project launch functions, media or press releases and interviews, to ensure transparent and timely communication of information relating to the Group such as information on business operations and performance as well as corporate and business updates with the media, which are also made available publicly.



### Regulators

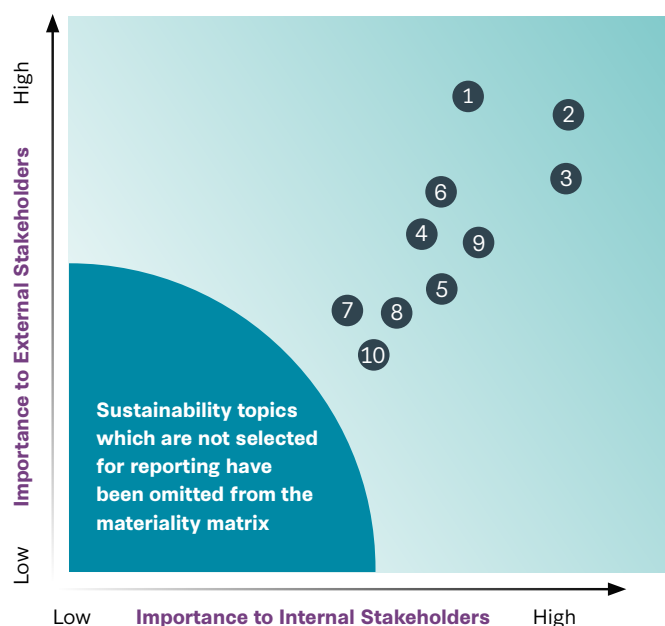
Yanlord is committed to regulatory compliance and is subscribed to industry update meetings, policy awareness briefings, news releases by government authorities and participation in workshops/seminars on topics relating to the new (including changes of) policies or measures in order to keep abreast with new rules and regulations development.



## MATERIALITY ASSESSMENT

With a holistic understanding of stakeholders' concerns and the issues that matter the most to them, it facilitates the prioritisation of ESG topics of Yanlord. As Yanlord draw upon insights from its regular interactions with key stakeholders as well as the ever-changing business environment, it assesses the continued relevance of its material ESG topics on an annual basis. Following the review in FY 2022, Yanlord's 10 existing material ESG topics remain relevant to the Group's business. Results of this review were subsequently presented to the RMSC and the Board for their consideration and approval.

## Yanlord's Materiality Assessment Process



No.	ESG Category	Material ESG Topics	GRI Topic Standards <sup>1</sup>	Boundary of Impact
1	Governance	Anti-Corruption and Business Ethics	GRI 205	Within and outside Yanlord
2	Governance	Compliance with Laws and Regulations	GRI 2	Within Yanlord
3	Social	Quality of Products and Services	GRI 416 GRI 2	Within and outside Yanlord
4	Social	Customer Privacy	GRI 418	Within and outside Yanlord
5	Social	Employment and Training	GRI 401 GRI 404 GRI 405	Within Yanlord
6	Social	Occupational Health and Safety	GRI 403	Within and outside Yanlord
7	Environment	Climate Change	GRI 201 GRI 302 GRI 305	Within and outside Yanlord
8	Environment	Green Buildings	GRI G4 - CRE 8 GRI 303 GRI 306	Within and outside Yanlord
9	Economic	Economic Performance	GRI 201	Within and outside Yanlord
10	Social	Local Community and Social Investment	GRI 413	Outside Yanlord

### Note:

<sup>1</sup> With the introduction of GRI Universal Standards 2021, GRI 102 is now replaced with GRI 2.

### SUSTAINABLE DEVELOPMENT GOALS

Yanlord has been aligning its sustainability efforts to the United Nations Sustainable Development Goals (“UN SDGs”) since 2020. Yanlord continues to map its material matters to 9 UN SDGs, which have been summarised in the table below. The standalone Sustainability Report will include more details such as specific initiatives contributing to the UN SDGs.

UN SDGs		Corresponding Material ESG Topics
	<b>Goal 3</b> Ensure healthy lives and promote well-being for all at all ages	<ul style="list-style-type: none"> <li>• Green Buildings</li> <li>• Occupational Health and Safety</li> </ul>
	<b>Goal 7</b> Ensure access to affordable, reliable, sustainable and modern energy for all	<ul style="list-style-type: none"> <li>• Climate Change</li> </ul>
	<b>Goal 8</b> Promote inclusive and sustainable economic growth, employment and decent work for all (promote safe and secure working environments)	<ul style="list-style-type: none"> <li>• Economic Performance</li> <li>• Employment and Training</li> <li>• Occupational Health and Safety</li> </ul>
	<b>Goal 9</b> Build resilient infrastructure, promote inclusive and sustainable industrialisation and foster innovation	<ul style="list-style-type: none"> <li>• Economic Performance</li> <li>• Quality of Products and Services</li> </ul>
	<b>Goal 10</b> Reduce inequality within and among countries	<ul style="list-style-type: none"> <li>• Employment and Training</li> </ul>
	<b>Goal 11</b> Make cities and human settlements inclusive, safe, resilient and sustainable	<ul style="list-style-type: none"> <li>• Green Buildings</li> </ul>
	<b>Goal 12</b> Ensure sustainable consumption and production patterns	<ul style="list-style-type: none"> <li>• Climate Change</li> <li>• Green Buildings</li> </ul>
	<b>Goal 13</b> Take urgent action to combat climate change and its impacts	<ul style="list-style-type: none"> <li>• Climate Change</li> </ul>
	<b>Goal 16</b> Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels	<ul style="list-style-type: none"> <li>• Anti-Corruption and Business Ethics</li> <li>• Compliance with Laws and Regulations</li> <li>• Customer Privacy</li> </ul>

Details on how Yanlord manages each of its material ESG topic including policies, targets and performance will be shared in the full Sustainability Report, which will be published in April 2023.





Tang Song, Wuxi, PRC  
山棠雅园, 无锡, 中国

## FINANCIAL STATEMENTS

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## DIRECTORS' STATEMENT

The directors present their statement together with the audited consolidated financial statements of the Group and the statement of financial position and statement of changes in equity of the Company for the financial year ended December 31, 2022.

In the opinion of the directors, the audited consolidated financial statements of the Group and the statement of financial position and statement of changes in equity of the Company as set out on pages 88 to 186 are drawn up so as to give a true and fair view of the financial position of the Group and of the Company as at December 31, 2022, and of the financial performance, changes in equity and cash flows of the Group and changes in equity of the Company for the financial year then ended and at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debt when they fall due.

### 1 DIRECTORS

The directors of the Company in office at the date of this statement are:

Zhong Sheng Jian  
 Zhong Siliang  
 Zhong Ming  
 Zhong Iek Ka  
 Hee Theng Fong  
 Hong Pian Tee  
 Teo Ser Luck  
 Chua Taik Him  
 Tan Chin Siong

### 2 ARRANGEMENTS TO ENABLE DIRECTORS TO ACQUIRE BENEFITS BY MEANS OF THE ACQUISITION OF SHARES AND DEBENTURES

Neither at the end of the financial year nor at any time in the financial year did there subsist any arrangement to which the Company is a party, being arrangements whose objects are, or one of whose objects is, to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

### 3 DIRECTORS' INTERESTS IN SHARES AND DEBENTURES

The directors of the Company holding office at the end of the financial year under review had no interests in the shares in, or debentures of, the Company and related corporations as recorded in the register of directors' shareholdings kept by the Company under Section 164 of the Companies Act 1967 of Singapore ("Act") except as follows:

Name of directors and companies in which interests are held	Holdings in which directors have a direct interest		Holdings in which directors are deemed to have an interest	
	At beginning of financial year	At end of financial year	At beginning of financial year	At end of financial year
<b>The Company</b> (Ordinary shares)				
Zhong Sheng Jian <sup>(1)</sup>	73,171,500	73,171,500	1,308,900,500	1,308,900,500
Zhong Siliang <sup>(2)</sup>	320,000	320,000	30,095,000	30,095,000
Hong Pian Tee <sup>(3)</sup>	614,500	714,500	224,000	224,000



# DIRECTORS' STATEMENT

## 3 DIRECTORS' INTERESTS IN SHARES AND DEBENTURES (Cont'd)

The directors' beneficial interest in other related corporations' shares and debentures were as follows:

Name of directors and companies in which interests are held	Holdings in which directors have a direct interest		Holdings in which directors are deemed to have an interest	
	At beginning of financial year	At end of financial year	At beginning of financial year	At end of financial year
<b>Immediate and ultimate holding company</b>				
<u>Yanlord Holdings Pte. Ltd. ("YHPL")</u> (Ordinary shares)				
Zhong Sheng Jian <sup>(4)</sup>	95,000,000	95,000,000	5,000,000	5,000,000
<b>Subsidiary</b>				
<u>Yanlord Land (HK) Co., Limited</u>				
(i) Senior notes due 2023 (US\$'000)				
Zhong Sheng Jian	50,000	56,850	-	-
(ii) Senior notes due 2024 (US\$'000)				
Zhong Sheng Jian	-	45,000	-	-
Hee Theng Fong	750	750	-	-
<b>Related corporations</b>				
<u>Yanlord Capital Pte. Ltd. ("YCPL")</u> (Ordinary share)				
Zhong Sheng Jian <sup>(5)</sup>	-	-	1	1
<u>Yanlord Industries Pte. Ltd. ("YIPL")</u> (Ordinary share)				
Zhong Sheng Jian <sup>(6)</sup>	-	-	1	1

**Notes:**

<sup>(1)</sup> Zhong Sheng Jian is deemed to have an interest in 1,308,900,500 (2021 : 1,308,900,500) ordinary shares of the Company ("Shares"), comprising 1,278,390,000 Shares held by Yanlord Holdings Pte. Ltd., a company owned by Zhong Sheng Jian (95% shareholding interest) and his spouse (5% shareholding interest), and 30,510,500 Shares held by Lian Pu Pte. Limited, a company established under a family trust arrangement.

<sup>(2)</sup> Zhong Siliang is deemed to have an interest in 30,095,000 (2021 : 30,095,000) Shares held by Investor Growth Co., Limited, a company which is 50% owned by him.

<sup>(3)</sup> Hong Pian Tee is deemed to have an interest in 224,000 (2021 : 224,000) Shares held by his spouse.

<sup>(4)</sup> Zhong Sheng Jian is deemed to have an interest in 5,000,000 (2021 : 5,000,000) ordinary shares of YHPL held by his spouse.

<sup>(5)</sup> Zhong Sheng Jian is deemed to have an interest in 1 (2021 : 1) ordinary share of YCPL held by YHPL.

<sup>(6)</sup> Zhong Sheng Jian is deemed to have an interest in 1 (2021 : 1) ordinary share of YIPL held by YHPL.

By virtue of Section 7 of the Act, Zhong Sheng Jian is deemed to have an interest in the Company and all the related corporations of the Company.

The directors' interests in the ordinary shares of the Company as at January 21, 2023 were the same as those as at December 31, 2022.

## DIRECTORS' STATEMENT

### 4 SHARE OPTIONS

a. Options to take up unissued shares

During the financial year, no option to take up unissued shares of the Company or any of its subsidiary corporations was granted.

b. Options exercised

During the financial year, no share of the Company or any of its subsidiary corporations was allotted and issued by virtue of the exercise of options to take up unissued shares of the Company or any of its subsidiary corporations.

c. Unissued shares under options

There was no option granted by the Company or any of its subsidiary corporations to any person to take up unissued shares of the Company or any of its subsidiary corporations as at the end of the financial year.

### 5 AUDIT COMMITTEE

At the date of this statement, the Audit Committee comprises the following members:

Hong Pian Tee (Chairman)	Independent Non-Executive Director
Hee Theng Fong	Lead Independent Director
Teo Ser Luck	Independent Non-Executive Director
Chua Taik Him	Independent Non-Executive Director
Tan Chin Siong	Independent Non-Executive Director

The Audit Committee carries out its functions, among others, in accordance with Section 201B(5) of the Act.

The Audit Committee has recommended to the Board of Directors the nomination of Deloitte & Touche LLP, Singapore for re-appointment as external auditors of the Company at the forthcoming Annual General Meeting of the Company.

### 6 AUDITORS

The auditors, Deloitte & Touche LLP, Singapore, have expressed their willingness to accept re-appointment.

ON BEHALF OF THE DIRECTORS

**Zhong Sheng Jian**

**Zhong Ming**

March 24, 2023



# INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF YANLORD LAND GROUP LIMITED

## REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

### Opinion

We have audited the financial statements of Yanlord Land Group Limited (the "Company") and its subsidiaries (the "Group"), which comprise the consolidated statement of financial position of the Group and the statement of financial position of the Company as at December 31, 2022, and the consolidated statement of profit or loss, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows of the Group and the statement of changes in equity of the Company for the year then ended, and the notes to the financial statements, including a summary of significant accounting policies, as set out on pages 88 to 186.

In our opinion, the accompanying consolidated financial statements of the Group and the statement of financial position and statement of changes in equity of the Company are properly drawn up in accordance with the provisions of the Companies Act 1967 of Singapore ("the Act"), Singapore Financial Reporting Standards (International) ("SFRS(I)s") and International Financial Reporting Standards ("IFRSs") so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the Company as at December 31, 2022, and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group and changes in equity of the Company for the year ended on that date.

### Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority *Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities* ("ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

# INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF YANLORD LAND GROUP LIMITED

Key audit matters	How the scope of our audit responded to the key audit matters
<p><b>Assessment of recoverable amounts for properties for development, completed properties for sale and properties under development for sale</b></p>	
<p>Properties (consisting of properties for development, completed properties for sale and properties under development for sale) (Note 9) represent a significant proportion of the assets in the Group's statement of financial position.</p>	<p>We obtained an understanding of and tested the design and implementation of the Group's relevant key controls related to assessment of recoverable amounts for the Properties, which include checking approvals over the reviewing and updating of selling prices and cost forecasts, the setting of budgets and the authorisation and recording of costs.</p>
<p>The accounting policies for the Properties are set out in Note 2 to the consolidated financial statements.</p>	<p>We discussed with management to understand the basis used in determining whether the Properties are impaired and the amount of impairment to be recorded, if any.</p>
<p>Management's assessment of the recoverable amounts of the Properties is a judgemental process which requires the estimation of the net realisable value, which takes into account the expected selling price (net of all estimated selling expenses) and the anticipated costs to completion. The shortfall in the net realisable value over the cost is charged to profit or loss. The key sources of estimation uncertainty relating to the Properties are disclosed in Note 3 to the consolidated financial statements.</p>	<p>We challenged management's assumptions relating to the reasonableness of the future sales expectations including expected selling prices. We compared the expected selling prices to externally published benchmarks and also considered whether these prices are consistent with the current property market trends.</p>
<p>The assessment of recoverable amounts of the Properties also takes into consideration the development plan, timing of sales, current market prices of the properties involved or of comparable properties and the prevailing property market conditions. Management performs cost studies for each project, taking into account the costs incurred to date, the development status and costs to complete each development project.</p>	<p>On a sampling basis, we agreed land costs to the acquisition of land use right agreements, verified projected construction costs to the construction agreements, and compared to the construction costs of the Group's other similar projects and performed detailed testing to verify completeness of project costs.</p>
	<p>For properties for development, we compared the land cost to the recently transacted land price in the surrounding vicinity.</p>
	<p>On development projects with slower than expected sales or with low or negative margins, we compared actual margins achieved to budget. We evaluated the sensitivity of the margin to changes in sales prices and costs.</p>
	<p>Based on our procedures, we noted that management's estimate of recoverable amounts of the Properties are consistent with our understanding.</p>
	<p>We have also assessed the adequacy of the disclosures in respect of significant estimates made on the recoverable amounts for the Properties in the consolidated financial statements.</p>



# INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF YANLORD LAND GROUP LIMITED

## Key audit matters

## How the scope of our audit responded to the key audit matters

### Valuation of investment properties

Investment properties (Note 8) represent a significant proportion of the assets in the Group's statement of financial position.

The accounting policy for investment properties is set out in Note 2 to the consolidated financial statements.

The fair value of the investment properties is based on valuations performed by independent professional property valuers (the "Valuers").

In determining fair values of investment properties, three valuation techniques are used by Valuers, depending on the nature of each investment property. These valuation techniques used include: (i) direct comparison approach; (ii) income capitalisation approach; and (iii) residual approach.

The valuation of the investment properties is a significant estimation area as it is underpinned by a number of key assumptions used in the valuation, which include (i) price per square metre or per car park unit; (ii) capitalisation rates; and (iii) market rent per square metre per month.

The key sources of estimation uncertainty relating to the investment properties are disclosed in Note 3 to the consolidated financial statements.

We obtained an understanding of and tested the design and implementation of the Group's relevant key controls in appointing the Valuers and reviewed and challenged the work of the Valuers.

We assessed the Valuers' competence, independence and capabilities. We read their terms and scope of the valuation engagement.

We reviewed the valuation methodologies adopted by the Valuers.

We discussed with the Valuers to understand the assumptions and valuation techniques used in valuing the investment properties and the market evidence used by the Valuers to support their assumptions.

With the assistance of our internal valuation specialists, we evaluated the appropriateness of the valuation methodologies and techniques used by the Valuers. Taking into account the characteristics of investment property selected for testing, we benchmarked and challenged the key assumptions used by reference to externally published industry data and comparable property transactions, where available, and we also considered whether these assumptions are consistent with the current market environment.

Based on our procedures, we noted that the valuation methodologies and techniques adopted by the Valuers are comparable to the methods used for similar property types. In addition, we noted that the key assumptions used in the valuations to be within a reasonable range of our expectations.

We have also assessed the adequacy of the disclosures including the inputs into the valuations and the assumptions used in the consolidated financial statements.

# INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF YANLORD LAND GROUP LIMITED

## Information Other than the Financial Statements and Auditor's Report Thereon

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## Responsibilities of Management and Directors for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act, SFRS(I)s and IFRSs, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the Group's financial reporting process.

## Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- (a) Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- (b) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- (c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.



# INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF YANLORD LAND GROUP LIMITED

- (d) Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- (e) Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- (f) Obtain sufficient appropriate audit evidence regarding the financial information of the entities and business activities within the Group to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

## REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In our opinion, the accounting and other records required by the Act to be kept by the Company and by those subsidiary corporations incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

The engagement partner on the audit resulting in this independent auditor's report is Seah Gek Choo.

**Deloitte & Touche LLP**  
Public Accountants and  
Chartered Accountants  
Singapore

March 24, 2023

# STATEMENTS OF FINANCIAL POSITION

December 31, 2022

	Note	GROUP		COMPANY	
		2022 RMB'000	2021 RMB'000	2022 RMB'000	2021 RMB'000
<b>ASSETS</b>					
<b>Non-current assets</b>					
Property, plant and equipment	7	3,579,245	3,603,207	-	-
Investment properties	8	31,236,480	30,482,077	-	-
Right-of-use assets		82,472	223,542	-	-
Properties for development	9	2,257,548	9,919,786	-	-
Investments in subsidiaries	10	-	-	20,600,307	18,751,363
Investments in associates	11	1,712,246	2,061,148	-	-
Investments in joint ventures	12	8,964,325	10,110,532	-	-
Other receivables and deposits	14	2,281,800	2,409,445	-	-
Non-trade amounts due from:					
Associates	11	690,058	1,148,764	-	-
Joint ventures	12	1,982,465	1,799,988	-	-
Non-controlling shareholders of subsidiaries	13	735,977	757,977	-	-
Financial assets at fair value through other comprehensive income		331,918	393,034	-	-
Intangible assets	15	2,092	812	-	-
Deferred tax assets	16	816,888	577,930	-	-
Pledged bank deposits	17	6,005	-	-	-
<b>Total non-current assets</b>		<b>54,679,519</b>	<b>63,488,242</b>	<b>20,600,307</b>	<b>18,751,363</b>
<b>Current assets</b>					
Inventories		212,310	203,957	-	-
Completed properties for sale	9	10,709,085	10,000,588	-	-
Properties under development for sale	9	72,521,540	30,952,651	-	-
Trade receivables		1,836,131	930,122	-	-
Other receivables and deposits	14	6,822,758	5,454,748	198	-
Non-trade amounts due from:					
Subsidiary	5	-	-	52,120	-
Associates	11	1,541,758	1,713,941	-	-
Joint ventures	12	6,925,493	10,030,971	-	-
Non-controlling shareholders of subsidiaries	13	9,078,859	8,781,371	-	-
Other related parties	6	4,804	4,735	-	-
Income tax prepayment		4,017,528	1,067,091	-	-
Pledged bank deposits	17	20,011	268,301	-	-
Cash and cash equivalents	17	20,696,044	21,551,718	386,105	4,098
<b>Total current assets</b>		<b>134,386,321</b>	<b>90,960,194</b>	<b>438,423</b>	<b>4,098</b>
<b>Total assets</b>		<b>189,065,840</b>	<b>154,448,436</b>	<b>21,038,730</b>	<b>18,755,461</b>



# STATEMENTS OF FINANCIAL POSITION

December 31, 2022

	Note	GROUP		COMPANY	
		2022 RMB'000	2021 RMB'000	2022 RMB'000	2021 RMB'000
<b>EQUITY AND LIABILITIES</b>					
<b>Capital, reserves and non-controlling interests</b>					
Share capital	19	<b>7,261,726</b>	7,261,726	<b>7,261,726</b>	7,261,726
Reserves		<b>27,706,118</b>	27,013,954	<b>603,738</b>	(199,809)
Equity attributable to owners of the Company		<b>34,967,844</b>	34,275,680	<b>7,865,464</b>	7,061,917
Non-controlling interests		<b>10,383,162</b>	9,579,940	-	-
Total equity		<b>45,351,006</b>	43,855,620	<b>7,865,464</b>	7,061,917
<b>Non-current liabilities</b>					
Bank and other borrowings - due after one year	21	<b>22,726,456</b>	25,570,387	-	-
Senior notes	22	<b>6,065,790</b>	7,915,018	-	-
Lease liabilities		<b>25,576</b>	163,527	-	-
Deferred tax liabilities	16	<b>4,440,393</b>	4,620,894	-	-
Other payables	24	<b>275,548</b>	285,350	-	-
Non-trade amounts due to:					
Joint ventures	12	<b>425,812</b>	200,000	-	-
Non-controlling shareholder of a subsidiary	13	<b>198,010</b>	176,106	-	-
Put liability to acquire non-controlling interests	18	-	338,432	-	-
Deferred income		<b>21,327</b>	100,604	-	-
Total non-current liabilities		<b>34,178,912</b>	39,370,318	-	-
<b>Current liabilities</b>					
Bank and other borrowings - due within one year	21	<b>11,822,726</b>	9,189,332	-	-
Senior notes	22	<b>2,298,873</b>	-	-	-
Lease liabilities		<b>66,566</b>	71,681	-	-
Trade payables	23	<b>12,318,727</b>	10,651,900	-	-
Other payables	24	<b>5,525,319</b>	4,056,293	<b>4,098</b>	4,672
Contract liabilities	25	<b>55,835,952</b>	23,399,875	-	-
Non-trade amounts due to:					
Subsidiaries	5	-	-	<b>13,142,076</b>	11,647,479
Associates	11	<b>936,658</b>	792,795	-	-
Joint ventures	12	<b>8,852,316</b>	12,267,340	-	-
Directors	6	<b>27,092</b>	41,893	<b>27,092</b>	41,393
Non-controlling shareholders of subsidiaries	13	<b>6,102,600</b>	3,104,939	-	-
Other related parties	6	<b>6,862</b>	16,606	-	-
Put liability to acquire non-controlling interest	18	<b>137,730</b>	-	-	-
Income tax payable		<b>5,604,501</b>	7,629,844	-	-
Total current liabilities		<b>109,535,922</b>	71,222,498	<b>13,173,266</b>	11,693,544
<b>Total equity and liabilities</b>		<b>189,065,840</b>	154,448,436	<b>21,038,730</b>	18,755,461

See accompanying notes to financial statements.

# CONSOLIDATED STATEMENT OF PROFIT OR LOSS

Financial year ended December 31, 2022

	Note	GROUP	
		2022 RMB'000	2021 RMB'000
<b>Revenue</b>	25	<b>28,712,264</b>	34,833,134
<b>Cost of sales</b>		<b>(20,960,455)</b>	(25,901,002)
<b>Gross profit</b>		<b>7,751,809</b>	8,932,132
Other operating income and other gains	26	<b>1,139,493</b>	700,859
Fair value (loss) gain on investment properties	8	<b>(170,996)</b>	133,405
Selling expenses		<b>(589,627)</b>	(621,200)
Administrative expenses		<b>(2,107,492)</b>	(1,568,582)
Other operating expenses		<b>(26,766)</b>	(39,192)
Finance cost	27	<b>(1,132,170)</b>	(1,031,130)
Share of (loss) profit of associates	11	<b>(102,791)</b>	37,303
Share of profit of joint ventures	12	<b>687,127</b>	1,213,233
<b>Profit before income tax</b>		<b>5,448,587</b>	7,756,828
Income tax	28	<b>(2,579,081)</b>	(3,719,414)
<b>Profit for the year</b>	29	<b>2,869,506</b>	4,037,414
<b>Profit attributable to:</b>			
Owners of the Company		<b>1,532,562</b>	2,656,030
Non-controlling interests		<b>1,336,944</b>	1,381,384
		<b>2,869,506</b>	4,037,414
Earnings per share (Renminbi cents)	30		
- Basic		<b>79.34</b>	137.51
- Diluted		<b>79.34</b>	137.51

See accompanying notes to financial statements.



# CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Financial year ended December 31, 2022

	Note	GROUP	
		2022 RMB'000	2021 RMB'000
<b>Profit for the year</b>	29	<b>2,869,506</b>	4,037,414
<b>Other comprehensive (expense) income:</b>			
<u>Items that will not be reclassified subsequently to profit or loss:</u>			
Currency translation difference		<b>658,804</b>	(749,742)
Change in fair value of financial assets at fair value through other comprehensive income	4 (c)(vi)	<b>(44,384)</b>	12,197
Remeasurements of defined benefit pension plans		<b>(6,113)</b>	3,736
Income tax relating to components of other comprehensive income		<b>1,527</b>	(713)
<u>Items that may be reclassified subsequently to profit or loss:</u>			
Currency translation difference		<b>(1,020,947)</b>	753,400
Share of other comprehensive (expense) income of associates		<b>(3,084)</b>	6,870
Share of other comprehensive income (expense) of a joint venture		<b>7</b>	(7)
<b>Other comprehensive (expense) income for the year, net of tax</b>		<b>(414,190)</b>	25,741
<b>Total comprehensive income for the year</b>		<b>2,455,316</b>	4,063,155
<b>Total comprehensive income attributable to:</b>			
Owners of the Company		<b>1,113,642</b>	2,725,572
Non-controlling interests		<b>1,341,674</b>	1,337,583
		<b>2,455,316</b>	4,063,155

See accompanying notes to financial statements.

# STATEMENTS OF CHANGES IN EQUITY

Financial year ended December 31, 2022

Note	Share capital RMB'000	Treasury shares RMB'000	Currency translation		Statutory reserve RMB'000	Merger deficit RMB'000	Other reserve RMB'000	Accumulated profits RMB'000	Equity attributable to owners	Non-controlling interests	Total RMB'000
			reserve RMB'000	reserve RMB'000					of the Company RMB'000	RMB'000	
(Note 20)											
<b>GROUP</b>											
Balance at January 1, 2021	7,261,726	(132,309)	(303,870)	3,266,529	(1,834,019)	(2,574,669)	25,520,758	31,204,146	9,413,419	40,617,565	
Total comprehensive income for the year:											
Profit for the year	-	-	-	-	-	-	2,656,030	2,656,030	1,381,384	4,037,414	
Other comprehensive income for the year	-	-	48,807	-	-	17,712	3,023	69,542	(43,801)	25,741	
Total	-	-	48,807	-	-	17,712	2,659,053	2,725,572	1,337,583	4,063,155	
Transactions with owners, recognised directly in equity:											
Acquisition of subsidiaries	33	-	-	-	-	-	-	-	234,810	234,810	
Change of interest in subsidiaries		-	-	-	-	(172,090)	-	(172,090)	(971,921)	(1,144,011)	
Change of control from a subsidiary to a joint venture		-	-	-	-	-	-	-	(97,377)	(97,377)	
Disposal of subsidiaries		-	-	(577)	-	-	-	(577)	(6,419)	(6,996)	
Capital injection from non-controlling shareholders		-	-	-	-	-	-	-	419,258	419,258	
Capital withdrawal by non-controlling shareholders		-	-	-	-	-	-	-	(762,475)	(762,475)	
Non-controlling interest arising from acquisition of a subsidiary	33	-	-	-	-	-	-	-	25,000	25,000	
Dividends	31	-	-	-	-	-	(640,540)	(640,540)	-	(640,540)	
Dividends declared to non-controlling shareholders		-	-	-	-	-	-	-	(11,938)	(11,938)	
Share of share option reserve from associates		-	-	-	-	689	-	689	-	689	
Put liability to acquire non-controlling interest	18	-	-	-	-	1,158,480	-	1,158,480	-	1,158,480	
Appropriations		-	-	195,276	-	-	(195,276)	-	-	-	
Total		-	-	194,699	-	987,079	(835,816)	345,962	(1,171,062)	(825,100)	
Balance at December 31, 2021	7,261,726	(132,309)	(255,063)	3,461,228	(1,834,019)	(1,569,878)	27,343,995	34,275,680	9,579,940	43,855,620	

# STATEMENTS OF CHANGES IN EQUITY

Financial year ended December 31, 2022

Note	Share capital RMB'000	Treasury shares RMB'000	Currency		Merger deficit RMB'000	Other reserve RMB'000	Accumulated profits RMB'000	Equity attributable to owners	Non-controlling interests	Total RMB'000
			translation reserve RMB'000	Statutory reserve RMB'000				of the Company RMB'000	RMB'000	
(Note 20)										
<b>GROUP</b>										
Balance at January 1, 2022	7,261,726	(132,309)	(255,063)	3,461,228	(1,834,019)	(1,569,878)	27,343,995	34,275,680	9,579,940	43,855,620
Total comprehensive income for the year:										
Profit for the year	-	-	-	-	-	-	1,532,562	1,532,562	1,336,944	2,869,506
Other comprehensive expense for the year	-	-	(368,921)	-	-	(45,413)	(4,586)	(418,920)	4,730	(414,190)
Total	-	-	(368,921)	-	-	(45,413)	1,527,976	1,113,642	1,341,674	2,455,316
Transactions with owners, recognised directly in equity:										
Acquisition of subsidiaries	33	-	-	-	-	-	-	-	2,189,791	2,189,791
Change of interest in subsidiaries		-	-	-	-	75	-	75	39	114
Capital injection from non-controlling shareholders		-	-	-	-	-	-	-	1,698,200	1,698,200
Capital withdrawal by non-controlling shareholders		-	-	-	-	-	-	-	(2,281,029)	(2,281,029)
Dividends	31	-	-	-	-	-	(616,426)	(616,426)	-	(616,426)
Dividends declared to non-controlling shareholders		-	-	-	-	-	-	-	(2,145,453)	(2,145,453)
Share of share option reserve from associates		-	-	-	-	433	-	433	-	433
Put liability to acquire non-controlling interests	18	-	-	-	-	194,440	-	194,440	-	194,440
Appropriations		-	-	410,600	-	-	(410,600)	-	-	-
Total		-	-	410,600	-	194,948	(1,027,026)	(421,478)	(538,452)	(959,930)
Balance at December 31, 2022	7,261,726	(132,309)	(623,984)	3,871,828	(1,834,019)	(1,420,343)	27,844,945	34,967,844	10,383,162	45,351,006



# STATEMENTS OF CHANGES IN EQUITY

Financial year ended December 31, 2022

	Note	Share capital RMB'000	Treasury shares RMB'000	Currency translation reserve RMB'000	Accumulated profits RMB'000	Total RMB'000
			(Note 20)			
<b>COMPANY</b>						
Balance at January 1, 2021		7,261,726	(132,309)	(59,150)	326,827	7,397,094
Total comprehensive income for the year:						
Profit for the year		-	-	-	626,925	626,925
Other comprehensive expense for the year		-	-	(321,562)	-	(321,562)
Total		-	-	(321,562)	626,925	305,363
Transaction with owners, recognised directly in equity:						
Dividends	31	-	-	-	(640,540)	(640,540)
Total		-	-	-	(640,540)	(640,540)
Balance at December 31, 2021		7,261,726	(132,309)	(380,712)	313,212	7,061,917
Total comprehensive income for the year:						
Profit for the year		-	-	-	716,499	716,499
Other comprehensive income for the year		-	-	703,474	-	703,474
Total		-	-	703,474	716,499	1,419,973
Transaction with owners, recognised directly in equity:						
Dividends	31	-	-	-	(616,426)	(616,426)
Total		-	-	-	(616,426)	(616,426)
Balance at December 31, 2022		7,261,726	(132,309)	322,762	413,285	7,865,464

See accompanying notes to financial statements.

# CONSOLIDATED STATEMENT OF CASH FLOWS

Financial year ended December 31, 2022

	Note	GROUP	
		2022 RMB'000	2021 RMB'000
<b>Operating activities</b>			
Profit before income tax		<b>5,448,587</b>	7,756,828
Adjustments for:			
Allowance for doubtful debts and bad debts written-off		<b>465,545</b>	79,988
Depreciation expense		<b>309,484</b>	322,198
Dividend income from financial assets at fair value through other comprehensive income		<b>(10,526)</b>	(12,877)
Fair value loss (gain) on investment properties		<b>170,996</b>	(133,405)
Fair value gain on financial asset at fair value through profit or loss		<b>(86)</b>	(153)
Fair value gain from put liability to acquire non-controlling interests		<b>(6,262)</b>	(60,199)
Finance cost		<b>1,132,170</b>	1,031,130
Interest income		<b>(436,310)</b>	(284,965)
Gain on remeasurement of retained interests in joint ventures		<b>(239,518)</b>	(111,715)
Gain on bargain purchase		<b>(4,403)</b>	-
Gain on change of control from subsidiaries to joint ventures		-	(1,038)
Gain on disposal of subsidiaries		-	(71,576)
Gain on repurchase of senior notes		<b>(77,913)</b>	-
Net gain on disposal of property, plant and equipment		<b>(187,683)</b>	(3,700)
Net gain on disposal of investment properties		-	(362)
Gain on disposal of right-of-use assets		<b>(5,235)</b>	-
Loss on withdrawal of a redevelopment project		<b>256,144</b>	-
Share of loss (profit) of associates		<b>102,791</b>	(37,303)
Share of profit of joint ventures		<b>(687,127)</b>	(1,213,233)
Operating cash flows before movements in working capital		<b>6,230,654</b>	7,259,618
Properties for development		<b>(231,439)</b>	(8,110,844)
Inventories		<b>(8,306)</b>	(18,745)
Completed properties for sale		<b>18,870,422</b>	17,767,075
Properties under development for sale		<b>(9,107,044)</b>	(2,305,816)
Trade and other receivables and deposits		<b>(818,996)</b>	(2,049,253)
Trade and other payables		<b>2,262,557</b>	1,105,840
Contract liabilities		<b>113,564</b>	(6,663,628)
Cash generated from operations		<b>17,311,412</b>	6,984,247
Interest paid		<b>(2,494,397)</b>	(2,491,611)
Income tax paid		<b>(6,389,658)</b>	(2,406,611)
Net cash from operating activities		<b>8,427,357</b>	2,086,025

# CONSOLIDATED STATEMENT OF CASH FLOWS

Financial year ended December 31, 2022

	Note	GROUP	
		2022 RMB'000	2021 RMB'000
<b>Investing activities</b>			
Acquisition of subsidiaries	33	4,671,824	665,405
Change of control from subsidiaries to joint ventures	34	-	(19,171)
Investments in associates		(11,348)	(199,354)
Investments in joint ventures		(14,325)	(1,095,563)
Proceeds from capital reduction of a joint venture		170,780	196,470
Dividend received from associates		15,350	4,599
Dividend received from joint ventures		-	4,999
Dividend received from financial assets at fair value through other comprehensive income		14,670	8,733
Interest received		636,747	210,630
Decrease (Increase) in pledged bank deposits		242,285	(54,828)
Proceeds on disposal of subsidiaries		-	83,941
Proceed on disposal of partial interest of a joint venture		-	690,000
Proceeds on disposal of property, plant and equipment		275,786	8,268
Proceeds on disposal of investment properties		-	714
Proceed on disposal of financial asset at fair value through profit or loss		15,286	26,043
Proceeds on disposal of financial assets at fair value through other comprehensive income		28,075	-
Payment for property, plant and equipment		(172,380)	(108,396)
Payment for investment properties		(621,655)	(696,589)
Purchase of financial assets at fair value through other comprehensive income		(200)	(5,162)
Purchase of financial asset at fair value through profit or loss		(15,200)	(25,890)
Advance to associates		(1,845,619)	(620,995)
Repayment from associates		347,802	530,624
Advance to joint ventures		(2,902,341)	(2,685,843)
Repayment from joint ventures		1,353,684	7,596,273
Advance to non-controlling shareholders of subsidiaries		(1,334,819)	(2,297,469)
Net cash from investing activities		854,402	2,217,439
<b>Financing activities</b>			
Dividends paid	31	(616,426)	(640,540)
Dividends paid to non-controlling shareholders of subsidiaries		(858,072)	(6,067)
Net proceeds on issue of senior notes		-	3,199,303
Repurchase and redemption of senior notes		(214,343)	(3,132,166)
Proceeds from bank and other borrowings		12,372,222	14,549,940
Repayment of bank and other borrowings		(20,071,507)	(14,492,078)
Repayment of lease liabilities		(66,544)	(73,635)
Advance from associates		393,710	173,176
Repayment to associates		(14,333)	(97,700)
Advance from joint ventures		3,542,262	5,360,304
Repayment to joint ventures		(1,777,604)	(5,278,414)
Repayment to directors		(45,101)	(99,058)
Advance from non-controlling shareholders of subsidiaries		554,708	3,751,089
Repayment to non-controlling shareholders of subsidiaries		(1,584,484)	(1,583,548)
Repayment to other related parties		-	(3,199)
Capital injection from non-controlling shareholders of subsidiaries		66,500	419,258
Capital withdrawal by non-controlling shareholders of subsidiaries		(2,012,851)	(762,475)
Acquisition of non-controlling interests in subsidiaries		(379)	(1,083,813)
Net cash (used in) from financing activities		(10,332,242)	200,377
Net (decrease) increase in cash and cash equivalents		(1,050,483)	4,503,841
Cash and cash equivalents at beginning of year	17	21,551,718	17,199,902
Effect of exchange rate changes on the balance of cash held in foreign currencies		194,809	(152,025)
<b>Cash and cash equivalents at end of year</b>	17	<b>20,696,044</b>	<b>21,551,718</b>

See accompanying notes to financial statements.



# NOTES TO FINANCIAL STATEMENTS

December 31, 2022

## 1 GENERAL

The Company (Registration No. 200601911K) is incorporated in the Republic of Singapore with its principal place of business and registered office at 9 Temasek Boulevard, #36-02 Suntec Tower Two, Singapore 038989. The Company is listed on the Mainboard of the Singapore Exchange. The financial statements are presented in Renminbi ("RMB").

The principal activity of the Company is to carry on the business of an investment holding company and procurer of funds.

The principal activities of the significant subsidiaries are disclosed in Note 10 to the financial statements.

The consolidated financial statements of the Group and statement of financial position and statement of changes in equity of the Company for the financial year ended December 31, 2022 were authorised for issue by the Board of Directors on March 24, 2023.

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

**BASIS OF ACCOUNTING** – The financial statements are prepared in accordance with the historical cost basis except as disclosed in the accounting policies below, and are drawn up in accordance with the provisions of the Companies Act 1967 of Singapore, Singapore Financial Reporting Standards (International) ("SFRS(I)s") and International Financial Reporting Standards ("IFRSs"). SFRS(I) is identical to IFRS as issued by the International Accounting Standards Board.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for share-based payment transactions that are within scope of SFRS(I) 2, leasing transactions that are within the scope of SFRS(I) 16, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in SFRS(I) 1-2 or value in use in SFRS(I) 1-36.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

**ADOPTION OF NEW AND REVISED STANDARDS** – On January 1, 2022, the Group and the Company adopted all the new and revised SFRS(I) pronouncements that are relevant to its operations. The adoption of these new/revised SFRS(I) pronouncements does not result in changes to the Group's and the Company's accounting policies and has no material effect on the amounts reported for the current or prior years.

At the date of authorisation of these financial statements, certain SFRS(I)s pronouncements relevant to the Group and Company were issued but not effective.

Management anticipates that the adoption of these SFRS(I)s pronouncements in future periods will not have a material impact on the financial statements of the Group and of the Company in the period of their initial adoption.

# NOTES TO FINANCIAL STATEMENTS

December 31, 2022

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

**BASIS OF CONSOLIDATION** – The consolidated financial statements incorporate the financial statements of the Company and entities (including structured entities) controlled by the Company and its subsidiaries. Control is achieved when the Company:

- Has power over the investee;
- Is exposed, or has rights, to variable returns from its involvement with the investee; and
- Has the ability to use its power to affect its returns.

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the Company has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Company considers all relevant facts and circumstances in assessing whether or not the Company's voting rights in an investee are sufficient to give it power, including:

- The size of the Company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- Potential voting rights held by the Company, other vote holders or other parties;
- Rights arising from other contractual arrangements; and
- Any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, the results of subsidiaries acquired or disposed of during the year are included in the profit or loss from the date the Company gains control until the date when the Company ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between the members of the Group are eliminated in full on consolidation.

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries including re-attribution of relevant reserves between the Group and the non-controlling interests according to the Group's and the non-controlling interests' proportionate interests.

Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

# NOTES TO FINANCIAL STATEMENTS

December 31, 2022

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

When the Group loses control of a subsidiary, a gain or loss is recognised in profit or loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), less liabilities of the subsidiary and any non-controlling interests. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as specified/permitted by applicable SFRS(I) standards). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under SFRS(I) 9, when applicable, the cost on initial recognition of an investment in an associate or a joint venture.

In the Company's financial statements, investments in subsidiaries are carried at cost less any impairment in net recoverable value that has been recognised in profit or loss.

**BUSINESS COMBINATIONS** – The acquisition of subsidiaries from a common controlling shareholder is accounted for using the merger accounting method. Under this method, the Company has been treated as the holding company of the subsidiaries for the financial years presented rather than from the date of acquisition of the subsidiaries.

The acquisition of subsidiaries and businesses are accounted for using the acquisition method. The consideration for each acquisition is measured at the aggregate of the acquisition date fair values of assets given, liabilities incurred by the Group to the former owners of the acquiree, and equity interests issued by the Group in exchange for control of the acquiree. Acquisition-related costs are recognised in profit or loss as incurred.

Where applicable, the consideration for the acquisition includes any asset or liability resulting from a contingent consideration arrangement, measured at its acquisition-date fair value. Subsequent changes in such fair values are adjusted against the cost of acquisition where they qualify as measurement period adjustments (see below). The subsequent accounting for changes in the fair value of the contingent consideration that do not qualify as measurement period adjustments depends on how the contingent consideration is classified. Contingent consideration that is classified as equity is not remeasured at subsequent reporting dates and its subsequent settlement is accounted for within equity. Contingent consideration that is classified as an asset or a liability is remeasured at subsequent reporting dates at fair value, with changes in fair value recognised in profit or loss.

Where a business combination is achieved in stages, the Group's previously held interests in the acquired entity are remeasured to fair value at the acquisition date (i.e. the date the Group attains control) and the resulting gain or loss, if any, is recognised in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to profit or loss, where such treatment would be appropriate if that interest were disposed of.

Any excess of the sum of the fair value of the consideration transferred in the business combination, the amount of non-controlling interest in the acquiree (if any), and the fair value of the Group's previously held equity interest in the acquiree (if any), over the net fair value of the acquiree's identifiable assets and liabilities is recorded as goodwill. In instances where the latter amount exceeds the former, the excess is recognised as a gain on bargain purchase in the profit or loss at the acquisition date.

The acquiree's identifiable assets, liabilities and contingent liabilities that meet the conditions for recognition under the SFRS(I) are recognised at their fair value at the acquisition date, except that:

- Deferred tax assets or liabilities and liabilities or assets related to employee benefit arrangements are recognised and measured in accordance with SFRS(I) 1-12 *Income Taxes* and SFRS(I) 1-19 *Employee Benefits* respectively;
- Liabilities or equity instruments related to share-based payment transactions of the acquiree or the replacement of an acquiree's share-based payment awards transactions with share-based payment awards transactions of the acquirer in accordance with the method in SFRS(I) 2 *Share-based Payment* at the acquisition date; and



# NOTES TO FINANCIAL STATEMENTS

December 31, 2022

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

- Assets (or disposal groups) that are classified as held for sale in accordance with SFRS(I) 5 *Non-current Assets Held for Sale and Discontinued Operations* are measured in accordance with that standard.

Non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation may be initially measured either at fair value or at the non-controlling interests' proportionate share of the recognised amounts of the acquiree's identifiable net assets. The choice of measurement basis is made on a transaction-by-transaction basis. Other types of non-controlling interests are measured at fair value or, when applicable, on the basis specified in another SFRS(I).

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period (see below), or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed as of the acquisition date that, if known, would have affected the amounts recognised as of that date.

The measurement period is the period from the date of acquisition to the date the Group obtains complete information about facts and circumstances that existed as of the acquisition date and is subject to a maximum of one year from acquisition date.

**PUT LIABILITY TO ACQUIRE NON-CONTROLLING INTERESTS** – When an entity within the Group writes non-cancellable rights for non-controlling shareholders to put back their shares to the entity (the "Put Instruments") as part of the acquisition of a subsidiary for settlement in cash, a put liability is recognised for the present value of the exercise price of the Put Instruments. This creates an obligation or potential obligation for the entity to purchase its subsidiary's instruments (constitutes the Group's own equity in the consolidated financial statements) for cash.

When the non-controlling shareholders still have present access to the returns associated with the underlying ownership interests, the Group has chosen an accounting policy that the non-controlling interests continue to be recognised. Therefore, the present value of the Put Instruments is recognised in equity. Subsequent to initial recognition of the financial liability, changes in the carrying amount of the financial liability is recognised in profit or loss, except that the fair value change is as a resultant of distribution of dividends to shareholders which represent repayment of the liability.

If the Put Instrument expires unexercised, then the charge to equity will be reversed and the financial liability will be derecognised. If the Put Instruments are exercised, then the charge to equity will be reversed and the financial liability will be derecognised and acquisition accounting will be applied, whereby the acquisition of the Group's ownership interests in a subsidiary that do not result in the change in control over the subsidiary are accounted for as equity transactions.

**FINANCIAL INSTRUMENTS** – Financial assets and financial liabilities are recognised when a group entity becomes a party to the contractual provisions of the instrument. All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

Financial assets and financial liabilities are initially measured at fair value except for trade receivables arising from contracts with customers which are initially measured with SFRS(I) 15. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets or financial liabilities at fair value through profit or loss ("FVTPL")) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at FVTPL are recognised immediately in profit or loss.

The effective interest method is a method of calculating the amortised cost of a financial asset or financial liability and of allocating interest income and interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts and payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial asset or financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

# NOTES TO FINANCIAL STATEMENTS

December 31, 2022

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

### Financial assets

All financial assets are recognised and de-recognised on a trade date basis where the purchase or sale is under a contract whose terms require delivery of the asset within the timeframe established by the market concerned. All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

#### Classification and subsequent measurement of financial assets

Financial assets that meet the following conditions are subsequently measured at amortised cost:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets that meet the following conditions are subsequently measured at fair value through other comprehensive income ("FVTOCI"):

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial asset; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All other financial assets are subsequently measured at FVTPL, except that at the date of initial application/initial recognition of a financial asset, the Group may irrevocably elect to present subsequent changes in fair value of an equity investment in other comprehensive income if that equity investment is neither held for trading nor contingent consideration recognised by an acquirer in a business combination to which SFRS(I) 3 *Business Combinations* applies.

#### Amortised cost and effective interest method

The effective interest method is a method of calculating the amortised cost of a financial asset and of allocating interest income over the relevant period.

Interest income is recognised using the effective interest method for financial assets measured subsequently at amortised cost and FVTOCI. Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for financial assets that have subsequently become credit-impaired. For financial assets that have subsequently become credit-impaired, interest income is recognised by applying the effective interest rate to the amortised cost of the financial asset from the next reporting period. If the credit risk on the credit-impaired financial instrument improves so that the financial asset is no longer credit-impaired, interest income is recognised by applying the effective interest rate to the gross carrying amount of the financial asset from the beginning of the reporting period following the determination that the asset is no longer credit impaired.

# NOTES TO FINANCIAL STATEMENTS

December 31, 2022

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

### Equity instruments designated as at FVTOCI

Investments in equity instruments at FVTOCI are subsequently measured at fair value with gains and losses arising from changes in fair value recognised in OCI and accumulated in the reserve. The cumulative gain or loss will not be reclassified to profit or loss on disposal of the equity investments, and will be transferred to accumulated profits.

Dividends from these investments in equity instruments are recognised in profit or loss when the Group's right to receive the dividends is established, unless the dividends clearly represent a recovery of part of the cost of the investment. Dividends are included in the "other operating income and other gains" line item in profit or loss.

### Impairment of financial assets

The Group recognises a loss allowance for expected credit losses ("ECL") on financial assets which are subject to impairment under SFRS(I) 9 (including trade receivables, other receivables and non-trade amounts due from associates, joint ventures, non-controlling shareholders of subsidiaries and other related parties, pledged bank deposits, cash and cash equivalents). The amount of ECL is updated at each reporting date to reflect changes in credit risk since initial recognition.

Lifetime ECL represents the ECL that will result from all possible default events over the expected life of the relevant instrument. In contrast, 12-month ECL ("12m ECL") represents the portion of lifetime ECL that is expected to result from default events that are possible within 12 months after the reporting date. Assessment is done based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current conditions at the reporting date as well as the forecast of future conditions.

The Group always recognises lifetime ECL for trade receivables and lease receivables. The ECL on these assets are assessed collectively with appropriate groupings.

For all other instruments and financial guarantees contracts, the Group measures the loss allowance equal to 12m ECL, unless when there has been a significant increase in credit risk since initial recognition, the Group recognises lifetime ECL. The assessment of whether lifetime ECL should be recognised is based on significant increases in the likelihood or risk of a default occurring since initial recognition instead of on evidence of a financial asset being credit-impaired at the reporting date or an actual default occurring.

### *Significant increase in credit risk*

In assessing whether the credit risk has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort.

In particular, the following information is taken into account when assessing whether credit risk has increased significantly:

- an actual or expected significant deterioration in the financial instrument's external (if available) or internal credit rating;
- significant deterioration in external market indicators of credit risk, e.g. a significant increase in the credit spread, the credit default swap prices for the debtor;
- existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations;
- an actual or expected significant deterioration in the operating results of the debtor; and



# NOTES TO FINANCIAL STATEMENTS

December 31, 2022

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

- an actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtor's ability to meet its debt obligations.

Irrespective of the outcome of the above assessment, the Group presumes that the credit risk has increased significantly since initial recognition when contractual payments are more than 30 days past due, unless the Group has reasonable and supportable information that demonstrates otherwise.

Despite the foregoing, the Group assumes that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial instrument is determined to have low credit risk at the reporting date. A financial instrument is determined to have low credit risk if (i) it has a low risk of default, (ii) the borrower has a strong capacity to meet its contractual cash flow obligations in the near term and (iii) adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations.

For financial guarantee contracts, the date that the Group becomes a party to the irrevocable commitment is considered to be the date of initial recognition for the purposes of assessing the financial instrument for impairment. In assessing whether there has been a significant increase in the credit risk since initial recognition of financial guarantee contracts, the Group considers the changes in the risk that the specified debtor will default on the contract.

The Group regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

### *Definition of default*

For internal credit risk management, the Group considers an event of default occurs when information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Group, in full (without taking into account any collaterals held by the Group).

Irrespective of the above, the Group considers that default has occurred when a financial asset is more than 90 days past due unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

### *Credit-impaired financial assets*

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

- significant financial difficulty of the issuer or the borrower;
- a breach of contract, such as a default or past due event;
- the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider;
- it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for that financial asset because of financial difficulties.

# NOTES TO FINANCIAL STATEMENTS

December 31, 2022

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

### *Write-off policy*

The Group writes off a financial asset when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery, for example, when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings. Financial assets written off may still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. A write-off constitutes a derecognition event. Any subsequent recoveries are recognised in profit or loss.

### *Measurement and recognition of ECL*

The measurement of ECL is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information. Estimation of ECL reflects an unbiased and probability-weighted amount that is determined with the respective risks of default occurring as the weights.

Generally, the ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and the cash flows that the Group expects to receive, discounted at the effective interest rate determined at initial recognition.

For a financial guarantee contract, the Group is required to make payments only in the event of a default by the debtor in accordance with the terms of the instrument that is guaranteed. Accordingly, the expected losses are the present value of the expected payments to reimburse the holder for a credit loss that it incurs less any amounts that the Group expects to receive from the holder, the debtor or any other party.

For ECL on financial guarantee contracts for which the effective interest rate cannot be determined, the Group will apply a discount rate that reflects the current market assessment of the time value of money and the risks that are specific to the cash flows but only if, and to the extent that, the risks are taken into account by adjusting the discount rate instead of adjusting the cash shortfalls being discounted.

Where ECL is measured on a collective basis or cater for cases where evidence at the individual instrument level may not yet be available, the financial instruments are grouped on the following basis:

- Nature of financial instruments (i.e. the Group's trade receivables and other receivables are each assessed as a separate group. Non-trade amounts due from associates, joint ventures, non-controlling shareholders of subsidiaries and other related parties are assessed for ECL on an individual basis);
- Past-due status;
- Nature, size and industry of debtors; and
- External credit ratings where available.

The grouping is regularly reviewed by management to ensure the constituents of each group continue to share similar credit risk characteristics.

Interest income is calculated based on the gross carrying amount of the financial asset unless the financial asset is credit impaired, in which case interest income is calculated based on amortised cost of the financial asset.

For financial guarantee contracts, the loss allowances are recognised at the higher of the amount of the loss allowance determined in accordance with SFRS(I) 9; and the amount initially recognised less, where appropriate, cumulative amount of income recognised over the guarantee period.

Except for financial guarantee contracts, the Group recognises an impairment gain or loss in profit or loss for all financial instruments by adjusting their carrying amount, with the exception of trade receivables, where the corresponding adjustment is recognised through a loss allowance account.

# NOTES TO FINANCIAL STATEMENTS

December 31, 2022

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

### Derecognition of financial assets

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

On derecognition of an investment in equity instrument which the Group has elected on initial recognition to measure at FVTOCI, the cumulative gain or loss previously accumulated under the heading of other reserve is not reclassified to profit or loss, but is transferred to accumulated profits.

### **Financial liabilities and equity**

#### Classification as debt or equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

#### Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a group entity are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

#### Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL.

#### *Financial liabilities at FVTPL*

Financial liabilities are classified as at FVTPL when the financial liability is (i) contingent consideration of an acquirer in a business combination to which SFRS(I) 3 applies, (ii) held for trading or (iii) it is designated as at FVTPL.

A financial liability other than a financial liability held for trading or contingent consideration of an acquirer in a business combination may be designated as at FVTPL upon initial recognition if either:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or
- the financial liability forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Group's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and SFRS(I) 9 permits the entire combined contract to be designated as at FVTPL.



# NOTES TO FINANCIAL STATEMENTS

December 31, 2022

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Financial liabilities at FVTPL are stated at fair value with any gains or losses arising on change in fair value recognised in profit or loss to the extent that they are not part of a designated hedging relationship. The net gain or loss recognised in profit or loss incorporates only interest paid on the financial liabilities and is included in the "other operating income and other gains" line items. However, for financial liabilities that are designated as at FVTPL, the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is recognised in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss. For financial liabilities that contain embedded derivatives, the changes in fair value of the embedded derivatives are excluded in determining the amount to be presented in other comprehensive income. Changes in fair value attributable to a financial liability's credit risk that are recognised in other comprehensive income are not subsequently reclassified to profit or loss; instead, they are transferred to accumulated profits upon derecognition of the financial liability.

### *Financial liabilities measured subsequently at amortised cost*

Financial liabilities that are not (i) contingent consideration of an acquirer in a business combination, (ii) held-for-trading, or (iii) designated as at FVTPL, are measured subsequently at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

### *Financial guarantee contracts*

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument. Financial guarantee contracts issued by a group entity are measured initially at their fair values and, if not designated as at FVTPL and do not arise from a transfer of a financial asset. It is subsequently measured at the higher of:

- the amount of the loss allowance determined in accordance with SFRS(I) 9; and
- the amount initially recognised less, where appropriate, cumulative amortisation recognised over the guarantee period.

### *Derecognition of financial liabilities*

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

### **Offsetting arrangements**

Financial assets and financial liabilities are offset and the net amount presented in the statements of financial position when the Group and the Company has a legally enforceable right to set off the recognised amounts; and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously. A right to set-off must be available today rather than being contingent on a future event and must be exercisable by any of the counterparties, both in the normal course of business and in the event of default, insolvency or bankruptcy.

# NOTES TO FINANCIAL STATEMENTS

December 31, 2022

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

### Leases

#### The Group as lessee

The Group assesses whether a contract is or contains a lease, at inception of the contract. The Group recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Group uses the incremental borrowing rate specific to the lessee.

The incremental borrowing rate depends on the term, currency and start date of the lease and is determined based on a series of inputs including: the risk-free rate based on government bond rates; a country-specific risk adjustment; a credit risk adjustment based on bond yields; and an entity-specific adjustment when the risk profile of the entity that enters into the lease is different to that of the Group and the lease does not benefit from a guarantee from the Group.

Lease payments included in the measurement of the lease liability comprise:

- fixed lease payments (including in-substance fixed payments), less any lease incentives;
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- the amount expected to be payable by the lessee under residual value guarantees;
- the exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and
- payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The lease liability is presented as a separate line in the statements of financial position.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The Group remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- the lease term has changed or there is a significant event or change in circumstances resulting in a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate;
- the lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using the initial discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used); or
- a lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

# NOTES TO FINANCIAL STATEMENTS

December 31, 2022

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Whenever the Group incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognised and measured under SFRS(I) 1-37. To the extent that the costs relate to a right-of-use asset, the costs are included in the related right-of-use asset, unless those costs are incurred to produce inventories.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Group expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The right-of-use assets are presented as a separate line in the statements of financial position.

The Group applies SFRS(I) 1-36 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in Note 2.

### The Group as lessor

The Group enters into lease agreements as a lessor with respect to its investment properties and certain other properties.

Leases for which the Group is a lessor are classified as finance or operating leases. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

When the Group is intermediate lessor, it accounts for the head lease and the sublease as two separate contracts. The sublease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease.

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

Amounts due from lessees under finance leases are recognised as receivables at the amount of the Group's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Group's net investment outstanding in respect of the leases.

When a contract includes lease and non-lease components, the Group applies SFRS(I) 15 to allocate the consideration under the contract to each component.

**PROPERTIES FOR DEVELOPMENT** - Properties for development are mainly vacant leasehold land for future development in respect of which physical construction is not expected to commence within twelve months from the end of the reporting period. They are stated at cost less allowance for any impairment in value.

**PROPERTIES UNDER DEVELOPMENT FOR SALE** - Properties under development for sale are stated at lower of cost and net realisable value. Net realisable value takes into account the price ultimately expected to be realised and the anticipated costs to completion. Cost of properties under development comprises land cost, development costs and borrowing costs capitalised during the development period. When completed, the units held for sale are classified as completed properties for sale.

Properties under development for sale include properties in respect of which concrete planning and preparatory activities have been approved by management and have commenced, and physical construction is expected to commence within twelve months from the end of the reporting period.



# NOTES TO FINANCIAL STATEMENTS

December 31, 2022

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

**COMPLETED PROPERTIES FOR SALE** – Completed properties for sale are stated at lower of cost or net realisable value. Cost is determined by apportionment of the total land cost, development costs and capitalised borrowing costs based on floor area of the unsold properties. Net realisable value is determined by reference to sale proceeds of properties sold in the ordinary course of business less all estimated selling expenses; or is estimated by management in the absence of comparable transactions after taking into consideration prevailing market conditions.

**INVENTORIES** – Inventories are stated at the lower of cost and net realisable value. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. Cost is calculated using the weighted average method. Net realisable value represents the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

**PROPERTY, PLANT AND EQUIPMENT** – Property, plant and equipment are stated at cost less accumulated depreciation and any accumulated impairment losses.

Construction-in-progress consists of land cost, construction costs and capitalised borrowing costs incurred during the period of construction.

Leases with unexpired terms of over 100 years are classified as long leaseholds; those under 100 years are classified as leaseholds.

No depreciation is provided on freehold/long leasehold land as it has an unlimited and long useful life respectively.

Depreciation is charged so as to write off the cost of property, plant and equipment, other than construction-in-progress and freehold/long leasehold land, over their estimated useful lives, using the straight-line method on the following bases:

Freehold/Long leasehold buildings	2%
Leasehold land and buildings	1% to 13%
Motor vehicles	10% to 50%
Furniture, fixtures and equipment	10% to 50%
Plant and machinery	7% to 50%

The estimated useful lives, residual values and depreciation method are reviewed at each year end, with the effect of any changes in estimate accounted for on a prospective basis.

Right-of-use assets are depreciated over the shorter period of the lease term and the useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Group expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset.

Fully depreciated property, plant and equipment still in use are retained in the financial statements.

The gain or loss arising on the disposal or retirement of a property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

**INVESTMENT PROPERTIES** – Investment properties are properties held to earn rental income and/or for capital appreciation and properties under construction for such purposes. They are measured initially at cost, including transaction costs and subsequent to initial recognition, measured at fair value. Professional valuations are obtained at least once every year. Gains or losses arising from changes in the fair value of investment property are included in profit or loss for the period in which they arise.

Construction costs incurred for investment properties under construction are capitalised as part of the carrying amount of the investment properties under construction.

# NOTES TO FINANCIAL STATEMENTS

December 31, 2022

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is derecognised.

Transfers are made to or from investment properties when and only when there is a change in use. For a transfer from properties for development, completed properties for sale or properties under development for sale to investment properties, any difference between the fair value of the properties at that date and its previous carrying amount is recognised in profit or loss.

**INTANGIBLE ASSETS** - These relate to club memberships held on a long-term basis and are stated at cost less any impairment loss.

**IMPAIRMENT OF NON-FINANCIAL ASSETS** - At the end of each reporting period, the Group reviews the carrying amounts of its non-financial assets other than investment properties carried at fair value, to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

**ASSOCIATES AND JOINT VENTURES** - An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The results and assets and liabilities of associates or joint ventures are incorporated in these consolidated financial statements using the equity method of accounting. Under the equity method, an investment in an associate or a joint venture is initially recognised in the consolidated statement of financial position at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the associate or joint venture. When the Group's share of losses of an associate or a joint venture exceeds the Group's interest in that associate or joint venture (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate or joint venture), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture.

# NOTES TO FINANCIAL STATEMENTS

December 31, 2022

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Investment in an associate or a joint venture is accounted for using the equity method from the date on which the investee becomes an associate or a joint venture. On acquisition of the investment in an associate or a joint venture, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised immediately in profit or loss in the period in which the investment is acquired.

The requirements of SFRS(I) 1-28 are applied to determine whether it is necessary to recognise any impairment loss with respect to the Group's investment in an associate or a joint venture. When necessary, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with SFRS(I) 1-36 *Impairment of Assets* as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs to sell) with its carrying amount, any impairment loss recognised forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with SFRS(I) 1-36 to the extent that the recoverable amount of the investment subsequently increases.

The Group discontinues the use of the equity method from the date when the investment ceases to be an associate or a joint venture. When the Group retains an interest in the former associate or joint venture and the retained interest is a financial asset, the Group measures the retained interest at fair value at that date and the fair value is regarded as its fair value on initial recognition in accordance with SFRS(I) 9. The difference between the carrying amount of the associate or joint venture at the date the equity method was discontinued, and the fair value of any retained interest and any proceeds from disposing of a part interest in the associate or joint venture is included in the determination of the gain or loss on disposal of the associate or joint venture. In addition, the Group accounts for all amounts previously recognised in other comprehensive income in relation to that associate or joint venture on the same basis as would be required if that associate or joint venture had directly disposed of the related assets or liabilities. Therefore, if a gain or loss previously recognised in other comprehensive income by that associate or joint venture would be reclassified to profit or loss on the disposal of the related assets or liabilities, the Group reclassifies the gain or loss from equity to profit or loss (as a reclassification adjustment) when the equity method is discontinued.

The Group continues to use the equity method when investment in an associate becomes investment in a joint venture or investment in a joint venture becomes investment in an associate. There is no remeasurement to fair value upon such changes in ownership interests.

When the Group reduces its ownership interest in an associate or a joint venture but the Group continues to use the equity method, the Group reclassifies to profit or loss the proportion of the gain or loss that had previously been recognised in other comprehensive income relating to that reduction in ownership interest if that gain or loss would be reclassified to profit or loss on the disposal of the related assets or liabilities.

When a group entity transacts with an associate or a joint venture of the Group, profits and losses resulting from the transactions with the associate or joint venture are recognised in the Group's consolidated financial statements only to the extent of interests in the associate or joint venture that are not related to the Group.

**PROVISIONS** – Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.



# NOTES TO FINANCIAL STATEMENTS

December 31, 2022

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

**MERGER DEFICIT** – Merger deficit arises from combination of entities under common control accounted for using merger accounting method (see “Business Combinations”). The merger reserve represents the difference between the aggregate nominal amounts of the share capital of the subsidiaries at the date on which they were acquired by the Group and the nominal amount of the share capital issued by the Company as consideration for the acquisition.

**STATUTORY RESERVE** – Statutory reserve represents the amount transferred from profit after tax of the subsidiaries incorporated in the People’s Republic of China (“PRC”) (excluding Hong Kong) in accordance with the PRC requirement. The statutory reserve cannot be reduced except where approval is obtained from the relevant PRC authority to apply the amount towards setting off any accumulated losses or increasing capital.

**OTHER RESERVE** – The negative balance in other reserve mainly comprises (i) the net excess of purchase consideration over the carrying amount of non-controlling interests acquired in the subsidiaries at the date of acquisition; (ii) the charge of the present value of put liability in relation to put instruments entered into with the non-controlling shareholders on their equity interests in subsidiaries. Subsequent changes in the carrying value of the put liability are recognised in profit or loss; (iii) the net fair value movement on financial assets at FVTOCI; and (iv) the share of share option reserve and other comprehensive income of joint ventures and associates.

**REVENUE RECOGNITION** – The Group recognises revenue when (or as) a performance obligation is satisfied, i.e. when “control” of the goods or services underlying the particular performance obligation is transferred to the customer.

A performance obligation represents a promise in a contract with customers to transfer a good or service (or a bundle of goods or services) that is distinct or a series of distinct goods or services that are substantially the same.

Control is transferred over time and revenue is recognised over time by reference to the progress towards complete satisfaction of the relevant performance obligation if one of the following criteria is met:

- the customer simultaneously receives and consumes the benefits provided by the Group’s performance as the Group performs;
- the Group’s performance creates and enhances an asset that the customer controls as the Group performs; or
- the Group’s performance does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

Otherwise, revenue is recognised at a point in time when the customer obtains control of the distinct good or service.

Over time revenue recognition: measurement of progress towards complete satisfaction of a performance obligation

For development properties whereby the Group is restricted contractually from directing the properties for another use as they are being developed and has an enforceable right to payment for performance completed to date, revenue is recognised over time, by using input method, which is based on the construction and other costs incurred to date as a proportion of the estimated total construction and other costs to be incurred.

For income from hotel operations, property management and related services, the progress towards complete satisfaction of a performance obligation is measured based on output method, which is to recognise revenue on the basis of direct measurements of the value of the services transferred to the customer to date relative to the remaining services promised under the contract, that best depict the Group’s performance in transferring control of services.

# NOTES TO FINANCIAL STATEMENTS

December 31, 2022

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

### Existence of significant financing component

In determining the transaction price, the Group adjusts the promised amount of consideration for the effects of the time value of money if the timing of payments agreed (either explicitly or implicitly) provides the customer or the Group with a significant benefit of financing the transfer of properties or services to the customer. In those circumstances, the contract contains a significant financing component. A significant financing component may exist regardless of whether the promise of financing is explicitly stated in the contract or implied by the payment terms agreed to by the parties to the contract.

For contracts where the period between payment and transfer of the associated goods or services is less than one year, the Group applies the practical expedient of not adjusting the transaction price for any significant financing component.

For advance payments received from customers before the transfer of the associated goods or services in which the Group adjusts for the promised amount of consideration for a significant financing component, the Group applies a discount rate that would be reflected in a separate financing transaction between the Group and the customer at contract inception. The relevant interest expenses during the period between the advance payments were received and the transfer of the associated goods and services are accounted for on the same basis as other borrowing costs.

### Incremental costs of obtaining a contract

Incremental costs of obtaining a contract are those costs that the Group incurs to obtain a contract with a customer that it would not have incurred if the contract had not been obtained.

The Group recognises sales commissions as an asset if it expects to recover these costs. The asset so recognised is subsequently amortised to profit or loss on a systematic basis that is consistent with the transfer to the customer of the properties or services to which the assets relate. The asset is subject to impairment review.

The Group applies the practical expedient of expensing all incremental costs to obtain a contract if these costs would otherwise have been fully amortised to profit or loss within one year.

### Contract liabilities

A contract liability represents the Group's obligation to transfer properties or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer.

The Group recognises revenue from the following major sources:

#### Income from property development

Income from property development represents the development and sales of properties. For property development and sales contracts for which the control of the property is transferred at a point in time, revenue is recognised when the customer obtains the control of the completed property and the Group has present right to payment and the collection of the consideration is probable.

For development properties whereby the Group is restricted contractually from directing the properties for another use as they are being developed and has an enforceable right to payment for performance completed to date, revenue is recognised over time, based on the construction and other costs incurred to date as a proportion of the estimated total construction and other costs to be incurred.

#### Income from property investment and hotel operations

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. The revenue from hotel operations is recognised over time by using the output method.

# NOTES TO FINANCIAL STATEMENTS

December 31, 2022

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

### Income from others

Income from others mainly represents income from property management and other related services. The Group provides property management and other related services to customers. The revenue from property management and other related service is recognised over time elapsed by using output method.

### Interest income

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable.

### Dividend income

Dividend income from investments is recognised when the shareholders' rights to receive payment have been established.

**GOVERNMENT SUBSIDIES** – Government subsidies are not recognised until there is reasonable assurance that the Group will comply with the conditions attaching to them and the subsidies will be received. Government subsidies are recognised as income over the periods necessary to match them with the related costs. Government subsidies related to expense items are recognised in the same period as those expenses are charged to the profit or loss and are reported separately as "other operating income and other gains" line item.

**BORROWING COSTS** – Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of these assets, until such time as the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

**RETIREMENT BENEFIT COSTS** – Payments to defined contribution retirement benefit plans are charged as an expense when employees have rendered the services entitling them to the contributions. Payments made to state-managed retirement benefit schemes, such as the Singapore Central Provident Fund, are dealt with as payments to defined contribution plans where the Group's obligations under the plans are equivalent to those arising in a defined contribution retirement benefit plan.

Pursuant to the relevant regulations of the PRC government, the PRC subsidiaries of the Group ("PRC Subsidiaries") have participated in central pension schemes ("the Schemes") operated by local municipal governments whereby the PRC Subsidiaries are required to contribute a certain percentage of the basic salaries of their employees to the Schemes to fund their retirement benefits. The local municipal governments undertake to assume the retirement benefit obligations of all existing and future retired employees of the PRC Subsidiaries. The only obligation of the PRC Subsidiaries with respect to the Schemes is to pay the ongoing required contributions under the Schemes mentioned above. Contributions under the Schemes are charged as expense when incurred.

Defined benefit plans are post-employment benefit pension plans other than defined contribution plans. Defined benefit plans typically define the amount of benefit that an employee will receive on or after retirement, usually dependent on one or more factors such as age, years of service and compensation.

The net defined benefit liability or assets recognised in the statements of financial position in respect of a defined benefit pension plan is the present value of the defined benefit obligation at the reporting date less the fair value of plan assets, adjusted for any effect of limiting a net defined benefit asset to the asset ceiling. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using market yields of high quality corporate bonds that are denominated in the currency in which the benefits will be paid, and have tenures approximating to that of the related post-employment benefit obligations.



# NOTES TO FINANCIAL STATEMENTS

December 31, 2022

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period when they arise.

Service costs and net interest on the net defined benefit liability or asset are recognised immediately in the profit or loss.

**EMPLOYEE LEAVE ENTITLEMENT** – Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the end of the reporting period.

**INCOME TAX** – Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the consolidated statement of profit or loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are not taxable or tax deductible. The Group's liability for current tax is calculated using tax rates (and tax laws) that have been enacted or substantively enacted in countries or regions where the Company and subsidiaries operate by the end of the reporting period.

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries and associates, and interests in joint ventures, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at tax rates that are expected to apply in the period when the liability is settled or the asset realised based on the tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. Except for investment properties measured using the fair value model, the measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

For the purposes of measuring deferred tax liabilities and deferred tax assets for investment properties that are measured using the fair value model, the carrying amounts of such properties are presumed to be recovered through sale, unless the presumption is rebutted. The presumption is rebutted when the investment property is depreciable and is held within a business model of the Group whose business objective is to consume substantially all of the economic benefits embodied in the investment property over time, rather than through sale. The Group has rebutted the presumption that the carrying amount of the investment properties will be recovered entirely through sale.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

# NOTES TO FINANCIAL STATEMENTS

December 31, 2022

## 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

**FOREIGN CURRENCY TRANSACTIONS AND TRANSLATION** – The individual financial statements of each Group entity are measured and presented in the currency of the primary economic environment in which the entity operates (its functional currency). The presentation currency for the consolidated financial statements of the Group and the statement of financial position of the Company is RMB.

In preparing the financial statements of the individual entities, transactions in currencies other than the entity's functional currency are recorded at the rates of exchange prevailing on the date of the transaction. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at the end of each reporting period. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on retranslation of monetary items are included in profit or loss for the period. Exchange differences arising on the retranslation of non-monetary items carried at fair value are included in profit or loss for the period except for differences arising on the retranslation of non-monetary items in respect of which gains and losses are recognised in other comprehensive income. For such non-monetary items, any exchange component of that gain or loss is also recognised directly in other comprehensive income.

Exchange differences on foreign currency borrowings relating to assets under construction for future productive use, are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings.

For the purpose of presenting consolidated financial statements, the assets and liabilities of the entities in the Group which do not have RMB as the functional currency (including comparatives) are expressed in RMB using exchange rates prevailing at the end of each reporting period. Income and expense items (including comparatives) are translated at the average exchange rates for the period, unless exchange rates fluctuated significantly during that period, in which case the exchange rates at the dates of the transactions are used. Exchange differences arising, if any, are classified as other comprehensive income and accumulated in the Group's currency translation reserve (attributed to non-controlling interests as appropriate).

**CASH AND CASH EQUIVALENTS IN THE CONSOLIDATED STATEMENT OF CASH FLOWS** – Cash and cash equivalents in the consolidated statement of cash flows comprise cash on hand, cash at bank and fixed deposits and are subject to an insignificant risk of changes in value.

## 3 CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, which are described in Note 2 above, management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. 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.

### **Critical judgements in applying the Group's accounting policies**

The following are the critical judgements, apart from those involving estimations (see below), that management has made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in the financial statements.

# NOTES TO FINANCIAL STATEMENTS

December 31, 2022

## 3 CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (Cont'd)

### Deferred taxation on investment properties

For the purposes of measuring deferred taxation arising from investment properties that are measured using the fair value model, the directors of the Company have reviewed the Group's investment property portfolios and concluded that the Group's investment properties are held under a business model whose objective is to consume substantially all of the economic benefits embodied in the investment properties over time, rather than through sale. Therefore, in determining the Group's deferred taxation on investment properties, the directors of the Company have determined the presumption of investment properties measured using the fair value model are recovered entirely through sale is rebutted. As a result, the Group has recognised deferred taxation on revaluation of investment properties as the Group is subject to the prevailing income tax rates.

### Control over entities for which the Group does not have more than 50% ownership interest and voting rights

The Group does not have more than 50% ownership interest and voting rights in certain entities (Note 10).

Management of the Group assessed whether or not the Group has control over these entities based on whether the Group has the practical ability to direct the relevant activities of these entities unilaterally. In making their judgement, management considers the Group's rights arising from the contractual arrangements. After assessment, management concludes that the Group has sufficiently dominant voting right and power to direct the relevant activities of these entities and therefore the Group has unilateral control over these entities.

### **Key sources of estimation uncertainty**

The key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below.

### Carrying amounts of properties for development, completed properties for sale and properties under development for sale

The aggregate carrying amount of these properties totalled RMB85.488 billion as at December 31, 2022 (2021 : RMB50.873 billion), details of which are disclosed in Note 9. They are stated at the lower of cost and net realisable values, assessed on an individual property basis.

When it is probable that the total project costs will exceed the total projected revenue net of selling expenses, i.e. net realisable value, the amount in excess of net realisable value is recognised as an expense immediately.

The process of evaluating the net realisable value for each property is subject to management's judgement and the effect of assumptions in respect of development plans, timing of sale and the prevailing market conditions. Management performs cost studies for each project, taking into account the costs incurred to date, the development status and costs to complete each development project. Any future variation in plans, assumptions and estimates can potentially impact the carrying amounts of the respective properties.

### Valuation of investment properties

As disclosed in Note 8, investment properties are stated at fair value based on the valuation performed by independent professional property valuers. In determining the fair values, the valuers have made reference to the comparable sales transactions as available in the relevant market of these properties, the capitalisation of the existing and reversionary rental income potential and residual approach.

The estimated value from capitalisation of the existing and reversionary rental income potential is used as an estimate of fair value, and the estimate is dependent on several variable parameters and projections including capitalisation rates and market rent per square metre per month.

Any change in the variable parameters and projections will result in change in fair value estimate for the investment properties which can potentially be significant.



# NOTES TO FINANCIAL STATEMENTS

December 31, 2022

## 3 CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (Cont'd)

In relying on the independent professional valuation reports, management considered the method of valuation and the Group's marketing strategy and is of the view that the estimated values are reasonable.

### Land Appreciation Tax ("LAT")

Income from sale of properties in the PRC is subject to LAT. Significant estimates are required in determining the provision for LAT. There are many transactions and calculations for which the ultimate LAT determination is uncertain during the course of business. The Group recognises liabilities for anticipated LAT based on estimates of whether additional taxes will be due. Where the final LAT outcome of these matters is different from the amounts that were initially recognised, such differences will impact the LAT provision in the period in which such determination is made.

### Estimated loss allowance of financial assets that are non-trade nature and financial guarantee contracts

Management of the Group estimates the amount of loss allowance to 12-month ECL on financial assets that are non-trade in nature (including other receivables and non-trade amounts due from associates, joint ventures, non-controlling shareholders of subsidiaries and other related parties) and financial guarantee contracts.

In determining the ECL for these financial assets and financial guarantee contracts, management of the Group has taken into account the historical default experience and forward-looking information, as appropriate, for example the Group has considered the consistently low historical default rate, financial position, property development plan and cash flows projection, as well as pledge of assets of the counterparties and collateral value of the assets, equity interests, undistributed retained earnings in these entities and expected future earnings that would be distributed by entities, based on which, management of the Group has assessed that whether these financial assets have any significant increase in credit risk since initial recognition. Such assessment of the credit risk of the respective financial instrument involves high degree of estimation and uncertainty. When the actual future cash flows are less than expected or more than expected, an impairment loss or a reversal of impairment loss may arise, accordingly.

## 4 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL RISK MANAGEMENT

### (a) Categories of financial instruments

The following table sets out the financial instruments as at the end of the reporting period:

	GROUP		COMPANY	
	2022 RMB'000	2021 RMB'000	2022 RMB'000	2021 RMB'000
<b>Financial assets</b>				
Financial assets at amortised cost (including cash and cash equivalents)	<b>49,471,425</b>	52,498,839	<b>438,410</b>	4,098
Financial assets at FVTOCI	<b>331,918</b>	393,034	-	-
	<b>49,803,343</b>	52,891,873	<b>438,410</b>	4,098
<b>Financial liabilities</b>				
Financial liabilities at amortised cost	<b>76,425,250</b>	73,201,095	<b>13,173,266</b>	11,693,544
Financial liabilities at FVTPL:				
Put liability to acquire non-controlling interests	<b>137,730</b>	338,432	-	-
	<b>76,562,980</b>	73,539,527	<b>13,173,266</b>	11,693,544

# NOTES TO FINANCIAL STATEMENTS

December 31, 2022

## 4 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL RISK MANAGEMENT (Cont'd)

### (b) Financial instruments subject to offsetting, enforceable master netting arrangements and similar agreements

#### Financial assets

Type of financial assets	Gross amounts of recognised financial assets RMB'000	Gross amounts of recognised financial liabilities set off in the statements of financial position RMB'000	Net amounts of financial assets presented in the statements of financial position RMB'000
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#### GROUP

#### 2022

Non-trade amounts due from non-controlling shareholders of subsidiaries	9,834,503	(19,667)	9,814,836
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#### 2021

Non-trade amounts due from non-controlling shareholders of subsidiaries	9,558,700	(19,352)	9,539,348
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#### Financial liabilities

Type of financial liabilities	Gross amounts of recognised financial liabilities RMB'000	Gross amounts of recognised financial assets set off in the statements of financial position RMB'000	Net amounts of financial liabilities presented in the statements of financial position RMB'000
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#### GROUP

#### 2022

Non-trade amounts due to non-controlling shareholders of subsidiaries	6,320,277	(19,667)	6,300,610
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#### 2021

Non-trade amounts due to non-controlling shareholders of subsidiaries	3,300,397	(19,352)	3,281,045
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In reconciling the 'Net amounts of financial assets and financial liabilities presented in the statements of financial position' to the line item amounts presented in the consolidated statement of financial position, the above amounts represent only those which are subject to offsetting, enforceable master netting arrangements and similar agreements.

The Group and the Company do not have any related amounts subject to enforceable master netting arrangements and similar arrangements which have not been set off in the statements of financial position.

# NOTES TO FINANCIAL STATEMENTS

December 31, 2022

## 4 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL RISK MANAGEMENT (Cont'd)

### (c) Financial risk management policies and objectives

Management of the Group monitors and manages the financial risks relating to the operations of the Group to ensure appropriate measures are implemented in a timely and effective manner. These risks include market risk (foreign exchange risk, interest rate risk, equity price risk), credit risk and liquidity risk.

There has been no change to the Group's exposure to these financial risks or the manner in which it manages and measures the risks. Market risk exposures are measured using sensitivity analysis indicated below.

#### (i) Foreign exchange risk management

The Group enters into transactions in various foreign currencies, including the United States dollar ("US dollar", "US\$"), Hong Kong dollar ("HK dollar", "HK\$"), Singapore dollar ("SG dollar", "S\$") and RMB and therefore is exposed to foreign exchange risk.

At the end of the reporting period, the carrying amounts of significant monetary assets and monetary liabilities denominated in currencies other than the respective entities' functional currencies are as follows:

	GROUP				COMPANY			
	Liabilities		Assets		Liabilities		Assets	
	2022	2021	2022	2021	2022	2021	2022	2021
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
US dollar	<b>11,164</b>	9,379	<b>90,033</b>	91,583	-	-	<b>13,261</b>	395
HK dollar	<b>1,583</b>	1,448	<b>417,635</b>	382,882	-	-	<b>734</b>	2,319
SG dollar	-	-	<b>13,147,287</b>	11,651,989	-	-	-	-
RMB	<b>1,005,053</b>	975,170	<b>2,192,940</b>	2,820,818	-	-	<b>371,240</b>	275

#### *Foreign currency sensitivity*

The following table details the sensitivity to a 3% increase in the exchange rate of the functional currency of each entity of the Group against the relevant foreign currencies. 3% is the sensitivity rate used by key management personnel in assessing foreign currency risk. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the year end for a 3% change in foreign currency rates. The sensitivity analysis includes external loans, cash and cash equivalents, as well as intercompany loans within the Group where they gave rise to an impact on the Group's profit or loss and/or equity. A positive number below indicates an increase in profit before income tax and other equity when the functional currency of each group entity strengthens by 3% against the relevant foreign currencies.

For a 3% weakening of the functional currency of each group entity against the relevant foreign currencies, there would be an equal and opposite impact on the profit before income tax and other equity.



# NOTES TO FINANCIAL STATEMENTS

December 31, 2022

## 4 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL RISK MANAGEMENT (Cont'd)

### (c) Financial risk management policies and objectives (Cont'd)

#### (i) Foreign exchange risk management (Cont'd)

	US dollar impact		HK dollar impact		SG dollar impact		RMB impact	
	2022	2021	2022	2021	2022	2021	2022	2021
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000

#### **GROUP**

Decrease in profit before income tax	<b>(2,297)</b>	(2,394)	<b>(12,118)</b>	(11,110)	<b>(152)</b>	(131)	<b>(10,660)</b>	(14)
Decrease in other equity	-	-	-	-	<b>(382,779)</b>	(339,247)	<b>(23,939)</b>	(53,743)

#### **COMPANY**

Decrease in profit before income tax	<b>(386)</b>	(12)	<b>(21)</b>	(68)	-	-	<b>(10,813)</b>	(8)
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#### (ii) Interest rate risk management

Summary quantitative data of the Group's interest-bearing financial instruments can be found in Section (v) of this Note. The Group's policy is to obtain fixed rate borrowings to reduce volatility. However, it may borrow at variable rates when considered economical to do so.

#### *Interest rate sensitivity*

The sensitivity analysis below has been determined based on the exposure to interest rates for non-derivative instruments at the end of the reporting period and the stipulated change taking place at the beginning of the financial year and held constant throughout the reporting year in the case of instruments that have floating rates.

If interest rates had been 100 basis points higher or lower and all other variables were held constant, the Group's:

- Interest expense for the year ended December 31, 2022 would increase/decrease respectively by RMB311 million (2021 : increase/decrease respectively by RMB301 million).
- It is the Group's accounting policy to capitalise borrowing costs relevant to property development as required by the standard. Hence, the above mentioned interest rate fluctuation may not fully impact the profit in the year where interest expense is incurred and capitalised but may affect profit in future financial years.

#### (iii) Equity price risk management

Financial assets designated as at FVTOCI are held for strategic rather than trading purposes. The Group does not actively trade financial assets designated as at FVTOCI.

Management is of the view that the equity price risk is not significant for the Group due to the relatively small amount of such investments carried. Hence no price sensitivity analysis is presented.

# NOTES TO FINANCIAL STATEMENTS

December 31, 2022

## 4 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL RISK MANAGEMENT (Cont'd)

### (c) Financial risk management policies and objectives (Cont'd)

#### (iv) Credit risk management

Credit risk refers to the risk that a counterparty may default on its contractual obligations resulting in financial loss to the Group arising from the carrying amount of the respective recognised financial assets as stated in the statements of financial position. The Group has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral where appropriate, as a means of mitigating the risk of financial loss from defaults.

For sales of properties in the PRC, the Group requires advanced payment by the customers upon entering into sales agreement, and sales proceeds are fully settled concurrent with delivery of properties. For sales of properties in Singapore, the Group usually includes a standard payment schedule on the sales proceeds. For leasing of properties, advanced payments by the tenants are required prior to the commencement of the lease term.

The Group does not have any significant credit risk exposure to any single counterparty or any group of counterparties having similar characteristics, except for non-trade amounts due from certain associates, joint ventures and non-controlling shareholders of subsidiaries. The counter parties are engaged in property development projects with strong financial position and sufficient future cash flows. Part of the amounts due from non-controlling shareholders of subsidiaries are secured by the non-controlling shareholder's share in a subsidiary, guarantee provided by a related party of the non-controlling shareholder of that subsidiary and the land use right owned by the related party of the non-controlling shareholder of that subsidiary (Note 13). Information on credit risk relating to other receivables are disclosed in Note 14. The credit risk on cash and cash equivalents is limited because the counterparties are banks with high credit-ratings assigned by international credit rating agencies.

In order to minimise credit risk, management of the Group has delegated a team to develop and maintain the Group's credit risk grading to categorise exposures according to their degree of risk of default. The team uses publicly available financial information and the Group's own historical repayment records to rate its major customers and debtors. The Group's exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties.

The Group's current credit risk grading framework comprises the following categories:

Category	Description	Basis for recognising ECL
Performing	The counterparty has a low risk of default and does not have any past-due amounts.	12m ECL
Doubtful	There has been a significant increase in credit risk since initial recognition.	Lifetime ECL - not credit-impaired
In default	There is evidence indicating the asset is credit-impaired.	Lifetime ECL - credit-impaired
Write-off	There is evidence indicating that the debtor is in severe financial difficulty and the Group has no realistic prospect of recovery.	Amount is written off

# NOTES TO FINANCIAL STATEMENTS

December 31, 2022

## 4 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL RISK MANAGEMENT (Cont'd)

### (c) Financial risk management policies and objectives (Cont'd)

#### (iv) Credit risk management (Cont'd)

The Group has considered the consistently low historical default rate, financial position, property development plan and cash flow projection, as well as pledge of assets of the counterparties and collateral value of the assets, equity interests, undistributed retained earnings in these entities and expected future earnings that would be distributed by the entities in connection with non-trade amounts due from associates, joint ventures and non-controlling shareholders of subsidiaries, and concluded that credit risk inherent in the Group's outstanding other receivables and non-trade amounts due from associates, joint ventures, non-controlling shareholders of subsidiaries and other related parties and financial guarantee contracts is insignificant. Management of the Group has assessed the internal credit rating of these other receivables and non-trade amounts due from associates, joint ventures, non-controlling shareholders of subsidiaries and other related parties and financial guarantee contracts are properly accounted for the impairment loss.

As at December 31, 2022, the Group's maximum exposure to credit risk comprise (i) the sum of the carrying amounts of financial assets recorded in the financial statements, grossed up for any allowances for losses; (ii) guarantees of approximately RMB18.605 billion (2021 : RMB14.629 billion) to banks for the benefit of the Group's customers in respect of mortgage loans provided by the banks to these customers for the purchase of the Group's development properties; and (iii) guarantees of approximately RMB1.817 billion (2021 : RMB1.703 billion) to banks and other lenders in respect of bank and other borrowings to joint ventures and associates, as elaborated in Note 38 to the financial statements.

#### (v) Liquidity risk management

The Group maintains cash and cash equivalents, obtains external bank and other borrowings and issues senior notes with staggered repayment dates. The Group also minimises liquidity risk by keeping committed credit lines available. As at December 31, 2022, the Group had available RMB11.084 billion (2021 : RMB7.500 billion) of undrawn committed bank and other credit facilities in respect of which all conditions precedent had been met.

In managing liquidity risk, management prepares cash flow forecasts using various assumptions and monitors the cash flows of the Group.



# NOTES TO FINANCIAL STATEMENTS

December 31, 2022

## 4 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL RISK MANAGEMENT (Cont'd)

### (c) Financial risk management policies and objectives (Cont'd)

#### (v) Liquidity risk management (Cont'd)

Liquidity and interest risk analyses

#### Non-derivative financial liabilities

The following tables detail the remaining contractual maturity for non-derivative financial liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group and Company can be required to pay. The table includes both interest and principal cash flows. The adjustment column represents the estimated future interest attributable to the instrument included in the maturity analysis which is not included in the carrying amount of the financial liabilities on the statement of financial position.

	Weighted average effective interest rate %	On demand or within 1 year RMB'000	More than 1 year to 2 years RMB'000	More than 2 years to 5 years RMB'000	More than 5 years RMB'000	Adjustments RMB'000	Total RMB'000
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### GROUP

#### **2022**

Non-interest bearing	-	28,840,013	503,304	-	-	-	29,343,317
Variable interest rate instruments	4.5	11,107,714	12,873,654	4,746,234	7,280,617	(5,005,122)	31,003,097
Fixed interest rate instruments	6.3	7,736,719	3,674,058	3,906,578	1,823,959	(924,748)	16,216,566
<b>Total</b>		<b>47,684,446</b>	<b>17,051,016</b>	<b>8,652,812</b>	<b>9,104,576</b>	<b>(5,929,870)</b>	<b>76,562,980</b>

#### **2021**

Non-interest bearing	-	27,967,863	494,906	16,550	-	-	28,479,319
Variable interest rate instruments	4.4	7,537,394	6,065,603	13,781,614	7,915,347	(5,369,074)	29,930,884
Fixed interest rate instruments	6.0	4,793,256	5,416,885	6,761,542	114,891	(1,957,250)	15,129,324
<b>Total</b>		<b>40,298,513</b>	<b>11,977,394</b>	<b>20,559,706</b>	<b>8,030,238</b>	<b>(7,326,324)</b>	<b>73,539,527</b>

As at December 31, 2022, the Company's non-derivative financial liabilities are mainly non-interest bearing with expected maturity within 1 year (2021 : 1 year).

# NOTES TO FINANCIAL STATEMENTS

December 31, 2022

## 4 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL RISK MANAGEMENT (Cont'd)

### (c) Financial risk management policies and objectives (Cont'd)

#### (v) Liquidity risk management (Cont'd)

Liquidity and interest risk analyses (Cont'd)

Non-derivative financial liabilities (Cont'd)

The following table detail the earliest period that the guarantees could be called.

	On demand or within 1 year RMB'000	More than 1 year to 2 years RMB'000	More than 2 years to 5 years RMB'000	More than 5 years RMB'000	Total RMB'000
<b>2022</b>	<b>19,437,512</b>	-	<b>606,000</b>	<b>378,000</b>	<b>20,421,512</b>
<b>2021</b>	15,873,184	291,000	140,000	28,000	16,332,184

As mentioned in Note 38, management considers that the likelihood of these guarantees being called upon is low.

Non-derivative financial assets

The following tables detail the remaining contractual maturity for non-derivative financial assets. The tables below have been drawn up based on the undiscounted contractual maturities of the financial assets including interest that the cash flows will occur in a different period.

	Weighted average effective interest rate %	On demand or within 1 year RMB'000	More than 1 year to 2 years RMB'000	More than 2 years to 5 years RMB'000	Adjustments RMB'000	Total RMB'000
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### **GROUP**

#### **2022**

Non-interest bearing	-	<b>38,347,903</b>	<b>4,831,607</b>	-	-	<b>43,179,510</b>
Fixed interest rate instruments	<b>6.1</b>	<b>5,719,593</b>	<b>1,119,368</b>	<b>268,760</b>	<b>(483,888)</b>	<b>6,623,833</b>
<b>Total</b>		<b>44,067,496</b>	<b>5,950,975</b>	<b>268,760</b>	<b>(483,888)</b>	<b>49,803,343</b>

#### **2021**

Non-interest bearing	-	38,874,932	5,502,117	270,045	-	44,647,094
Fixed interest rate instruments	5.7	7,985,090	759,466	-	(499,777)	8,244,779
<b>Total</b>		<b>46,860,022</b>	<b>6,261,583</b>	<b>270,045</b>	<b>(499,777)</b>	<b>52,891,873</b>

# NOTES TO FINANCIAL STATEMENTS

December 31, 2022

## 4 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL RISK MANAGEMENT (Cont'd)

### (c) Financial risk management policies and objectives (Cont'd)

#### (v) Liquidity risk management (Cont'd)

Liquidity and interest risk analyses (Cont'd)

Non-derivative financial assets (Cont'd)

	Weighted average effective interest rate %	On demand or within 1 year RMB'000	More than 1 year to 2 years RMB'000	More than 2 years to 5 years RMB'000	Adjustments RMB'000	Total RMB'000
<b>COMPANY</b>						
<b>2022</b>						
Non-interest bearing	-	73,410	-	-	-	73,410
Fixed interest rate instruments	1.5	370,475	-	-	(5,475)	365,000
Total		443,885	-	-	(5,475)	438,410
<b>2021</b>						
Non-interest bearing	-	4,098	-	-	-	4,098



# NOTES TO FINANCIAL STATEMENTS

December 31, 2022

## 4 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL RISK MANAGEMENT (Cont'd)

### (c) Financial risk management policies and objectives (Cont'd)

#### (vi) Fair value of financial assets and financial liabilities

The Group determines fair values of various financial assets and financial liabilities in the following manner:

#### **Fair value of the Group's financial assets and financial liabilities that are measured at fair value on a recurring basis**

Some of the Group's financial assets and financial liabilities are measured at fair value at the end of each reporting period. The following table gives information about how the fair values of these financial assets and financial liabilities are determined.

Financial assets/ (liabilities)	Fair value as at December 31,		Fair value hierarchy	Valuation technique(s) and key input(s)	Significant unobservable input(s)	Relationship of unobservable inputs to fair value
	2022 RMB'000	2021 RMB'000				
<b>GROUP</b>						
Put liability to acquire non-controlling interests	<b>(137,730)</b>	(338,432)	Level 3	Discounted cash flows. Future cash flows are estimated based on the present value of expected payment, discounted using the entity's cost of debt. The expected payment is determined by considering the fair value at the time of exit.	Cost of debt with tenure of 0.5 year at 9.0% per annum (2021 : 1.5 years at 9.0% per annum)	A slight increase in the cost of debt used in isolation will result in a decrease in the fair value <sup>(1)</sup>
Financial assets at FVTOCI	<b>12,928</b>	10,373	Level 3	Net asset value of the investees.	Net asset value	The higher the net asset value, the higher the fair value
Financial assets at FVTOCI	<b>120,000</b>	120,000	Level 3	Income approach - in this approach, the discounted cash flows method was used to capture the present value of the expected future economic benefits to be derived from the ownership of this investee.	Discount rate of 10.2% (2021 : 9.7%) per annum using a Capital Asset Pricing Model	A slight increase in the discount rate used in isolation will result in a decrease in the fair value <sup>(2)</sup>
Financial assets at FVTOCI	<b>126,240</b>	140,161	Level 3	Quoted bid prices of the investment and carrying value of other net assets held by this investee.	Quoted bid prices of the investment and carrying value of other net assets held by this investee	The higher the quoted bid prices of the investment and carrying value of other net assets, the higher the fair value
Financial assets at FVTOCI	<b>72,750</b>	122,500	Level 1	Quoted bid prices in an active market.	Not applicable	Not applicable

<sup>(1)</sup> As at December 31, 2022, a 100 basis points increase/decrease in cost of debt used as discount rate while holding all other variables constant would decrease/increase the carrying amount of put liability to acquire non-controlling interests by RMB0.5 million (2021 : RMB4 million).

<sup>(2)</sup> As at December 31, 2022, a 100 basis points increase in the discount rate while holding all other variables constant would decrease the fair value of this financial asset at FVTOCI by RMB13 million (2021 : RMB11 million), while a 100 basis points decrease in the discount rate would increase the fair value of financial asset at FVTOCI by RMB16 million (2021 : RMB14 million).

# NOTES TO FINANCIAL STATEMENTS

December 31, 2022

## 4 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL RISK MANAGEMENT (Cont'd)

### (c) Financial risk management policies and objectives (Cont'd)

#### (vi) *Fair value of financial assets and financial liabilities (Cont'd)*

#### ***Fair value of the Group's financial assets and financial liabilities that are measured at fair value on a recurring basis (Cont'd)***

There were no transfers between Level 1, Level 2 and Level 3 of the fair value hierarchy during the year. Fair value changes recognised in other comprehensive income during the year is loss of RMB44 million (2021 : gain of RMB12 million).

#### ***Reconciliation of Level 3 fair value measurement***

	Put liability to acquire non-controlling interests RMB'000	Financial assets at FVTOCI RMB'000	Total RMB'000
<b>GROUP</b>			
At January 1, 2021	(1,491,860)	282,653	(1,209,207)
Repayment of liability	1,093,229	-	1,093,229
Total gains or losses			
- In profit or loss	60,199	-	60,199
- In other comprehensive income	-	(12,119)	(12,119)
At December 31, 2021	(338,432)	270,534	(67,898)
Addition	-	200	200
Repayment of liability	194,440	-	194,440
Total gains or losses			
- In profit or loss	6,262	-	6,262
- In other comprehensive income	-	(11,566)	(11,566)
At December 31, 2022	(137,730)	259,168	121,438

#### ***Fair value of the Group's financial assets and financial liabilities that are not measured at fair value on a recurring basis (but fair value disclosures are required)***

Except as detailed in the following table, management considers that the carrying amounts of financial assets and financial liabilities of the Group recorded at amortised cost in the financial statements approximate their fair values:

	2022		2021	
	Carrying amount RMB'000	Fair value RMB'000	Carrying amount RMB'000	Fair value RMB'000
<b>GROUP</b>				
<b>Financial liabilities</b>				
Senior notes	8,364,663	7,790,169	7,915,018	7,994,729

The Group's senior notes at the end of the reporting period were under Level 2 fair value hierarchy derived based on proxy valuation.

The carrying amounts of financial assets and financial liabilities of the Company recorded at amortised cost approximate their fair values due to their short-term maturity.

# NOTES TO FINANCIAL STATEMENTS

December 31, 2022

## 4 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL RISK MANAGEMENT (Cont'd)

### (d) Capital risk management policies and objectives

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the debt and equity balance.

The Group monitors capital on the basis of the net debt to equity ratio. This ratio is calculated as total debt less cash and cash equivalents divided by equity. Total debt includes bank and other borrowings, senior notes and certain non-trade amounts due to non-controlling shareholders of subsidiaries. Equity for this purpose comprises equity attributable to owners of the Company, comprising issued capital, reserves and accumulated profits, as well as non-controlling interests as shown in the consolidated statement of financial position.

The net debt to equity ratios as at the end of the reporting period were as follows:

	GROUP	
	2022 RMB'000	2021 RMB'000
Total debt	<b>45,413,427</b>	43,041,141
Cash and cash equivalents	<b>(20,696,044)</b>	(21,551,718)
Net debt	<b>24,717,383</b>	21,489,423
Equity	<b>45,351,006</b>	43,855,620
Net debt to equity ratio	<b>54.5%</b>	49.0%

The Group's overall strategy remains unchanged from 2021. In addition, the Group also specifically monitors the financial ratios of its debt covenants stated in the agreements in respect of senior notes issued by its subsidiaries and borrowings with the financial institutions providing the facilities to the Group. As at the end of the reporting period, the Group is in compliance with externally imposed financial covenants requirements.

## 5 HOLDING COMPANY AND RELATED COMPANY TRANSACTIONS

The Company is a subsidiary of Yanlord Holdings Pte. Ltd., incorporated in the Republic of Singapore, which is also the Company's immediate and ultimate holding company. Related companies in these financial statements refer to members of the holding company's group of companies.

Transactions between the Company and its subsidiaries, which are related companies of the Company, have been eliminated on consolidation and are not disclosed in this note. The intercompany balances are unsecured, interest-free and repayable on demand unless otherwise stated.



# NOTES TO FINANCIAL STATEMENTS

December 31, 2022

## 6 OTHER RELATED PARTY TRANSACTIONS

Some of the Group's transactions and arrangements are with related parties and the effect of these on the basis determined between the parties is reflected in these financial statements. The balances with related parties (including non-trade amounts due from/to associates, joint ventures, directors and other related parties) are unsecured, interest-free and repayable on demand unless otherwise stated.

During the year, the Group entered into the following transactions with related parties:

	GROUP	
	2022 RMB'000	2021 RMB'000
Sales of properties to a joint venture	9,174	-
Sales of properties to key management personnel and close members of their families	22,826	22,711
Interest income from associates	46,065	64,298
Interest income from joint ventures	60,060	87,086
Other income from associates	135,250	32,965
Other income from joint ventures	328,580	286,415
Other income from a related party	3,486	5,441
Interest expense to joint ventures	29,222	85,162
Other expense to an associate	-	9,434
Other expense to joint ventures	12,001	10

As at December 31, 2022, the Group recognised right-of-use assets and corresponding liabilities in respect of leases of land and buildings for the office premises and staff accommodation from a director of the Company and a company in which a director of the Company has control over, amounting to RMB12 million and RMB11 million (2021 : RMB20 million and RMB21 million) respectively. The depreciation of the right-of-use assets and interest expenses associated with the lease liabilities recognised in the profit or loss are RMB10 million and RMB0.3 million (2021 : RMB15 million and RMB0.4 million) respectively. As at December 31, 2022, the Group has contracted with a joint venture for future minimum lease receipts of RMB1.198 billion (2021 : RMB1.356 billion). As at December 31, 2022, advance amounting to RMB7 million (2021 : RMB6 million) has been received from a joint venture in respect of the lease of properties.

As at December 31, 2022, the Group has recorded pre-sales of properties totaling RMB9 million (2021 : RMB41 million) to key management and close members of their families. As at December 31, 2022, advances amounting to RMB7 million (2021 : RMB14 million) have been received from key management and close members of their families in relation to the pre-sales of properties. As at December 31, 2021, the Group pre-sold properties totaling RMB10 million to a joint venture and an advance amounting to RMB9 million had been received from such joint venture for the pre-sales.

As at December 31, 2021, the Group had contracted with key management and close members of their families for the provision of repair and maintenance service amounting to RMB2 million. As at December 31, 2021, advances amounting to RMB2 million had been received from the key management and close members of their families for such service.

### ***Compensation of directors and key management personnel***

The remuneration of directors and other members of key management during the year was as follows:

	GROUP	
	2022 RMB'000	2021 RMB'000
Short-term benefits	70,109	101,541
Post-employment benefits	2,207	2,172
	72,316	103,713

# NOTES TO FINANCIAL STATEMENTS

December 31, 2022

## 7 PROPERTY, PLANT AND EQUIPMENT

	Freehold/ Long leasehold land and buildings RMB'000	Leasehold land and buildings RMB'000	Motor vehicles RMB'000	Furniture, fixtures and equipment RMB'000	Plant and machinery RMB'000	Construction- in-progress RMB'000	Total RMB'000
<b>GROUP</b>							
<b>Cost:</b>							
At January 1, 2021	191,197	3,628,069	78,345	380,557	250,618	3,452	4,532,238
Additions	1,931	22,532	4,173	26,662	53,087	11	108,396
Transfer to completed properties for sales	-	(12,813)	-	-	-	-	(12,813)
Transfer to investment properties	-	-	-	-	-	(3,240)	(3,240)
Acquisition of subsidiaries	-	-	250	511	-	-	761
Disposal of subsidiaries	-	-	-	(364)	-	-	(364)
Disposals	(1,681)	(1,360)	(9,899)	(33,062)	(2,677)	-	(48,679)
Reclassification	337	223	(241)	(626)	530	(223)	-
Reclassification to other receivables	-	-	-	-	(38,159)	-	(38,159)
Exchange difference	(9,735)	(9,965)	607	(6,898)	(14,584)	-	(40,575)
At December 31, 2021	182,049	3,626,686	73,235	366,780	248,815	-	4,497,565
Additions	7,407	62,561	1,759	39,447	60,842	364	172,380
Transfer from completed properties for sales	-	49,456	-	-	842	-	50,298
Transfer from investment properties	-	34,446	-	-	-	-	34,446
Acquisition of subsidiaries	-	20,008	1,152	881	-	-	22,041
Disposals	(6,906)	(126,203)	(9,457)	(66,522)	(12,975)	-	(222,063)
Reclassification	355	-	49	5	(409)	-	-
Exchange difference	14,770	7,455	(475)	3,577	(11,377)	-	13,950
At December 31, 2022	197,675	3,674,409	66,263	344,168	285,738	364	4,568,617
<b>Accumulated depreciation:</b>							
At January 1, 2021	7,382	404,149	57,099	219,997	30,639	-	719,266
Depreciation for the year	5,914	151,546	8,053	47,394	36,623	-	249,530
Transfer to completed properties for sales	-	(2,044)	-	-	-	-	(2,044)
Disposal of subsidiaries	-	-	-	(336)	-	-	(336)
Eliminated on disposals	(1,560)	(581)	(8,971)	(30,078)	(2,398)	-	(43,588)
Reclassification	-	-	116	(116)	-	-	-
Reclassification to other receivables	-	-	-	-	(21,145)	-	(21,145)
Exchange difference	1,294	(1,805)	509	(2,589)	(4,734)	-	(7,325)
At December 31, 2021	13,030	551,265	56,806	234,272	38,985	-	894,358
Depreciation for the year	5,170	150,367	7,001	40,534	36,838	-	239,910
Eliminated on disposals	(5,953)	(47,781)	(8,319)	(59,292)	(12,615)	-	(133,960)
Exchange difference	5,073	(490)	(4,080)	(83)	(11,356)	-	(10,936)
At December 31, 2022	17,320	653,361	51,408	215,431	51,852	-	989,372
<b>Carrying amount:</b>							
At December 31, 2022	180,355	3,021,048	14,855	128,737	233,886	364	3,579,245
At December 31, 2021	169,019	3,075,421	16,429	132,508	209,830	-	3,603,207

In 2022, depreciation for the year includes an amount of RMB2 million (2021 : RMB2 million) capitalised in the Group's properties for development and properties under development for sale. The carrying amounts of freehold land and buildings, leasehold land and buildings and plant and machinery pledged to banks and other lenders to secure bank and other borrowings are disclosed in Note 21.

# NOTES TO FINANCIAL STATEMENTS

December 31, 2022

## 8 INVESTMENT PROPERTIES

	GROUP	
	2022 RMB'000	2021 RMB'000
At fair value:		
Balance as at beginning of year	<b>30,482,077</b>	30,089,567
Additions	<b>598,129</b>	696,589
Change in fair value	<b>(170,996)</b>	133,405
Disposals	-	(352)
Transfer to properties, plant and equipment	<b>(34,446)</b>	-
Transfer to properties under development for sale	<b>(1,503,000)</b>	(15,163)
Transfer from completed properties for sale	<b>902,543</b>	-
Transfer from construction-in-progress	-	3,240
Exchange difference	<b>962,173</b>	(425,209)
Balance as at end of year	<b>31,236,480</b>	30,482,077

The fair value of investment properties have been determined on the basis of valuations carried out at the respective year end dates by independent property valuers having recognised professional qualification and recent experience in the location and category of the properties being valued, and not related to the Group.

The fair value was determined based on the direct comparison approach that reflects recent transaction prices or current asking prices for similar properties, the income capitalisation approach where the market rentals of all lettable units of the properties are assessed by reference to the rentals achieved in the lettable units as well as other lettings of similar properties in the neighbourhood and the residual approach whereby the fair value is determined by taking into consideration the projected total development value, costs incurred, expected cost to completion and developer's profit. The capitalisation rate adopted is made by reference to the yield rates observed by the valuers for similar properties in the locality and adjusted based on the valuers' knowledge of the factors specific to the respective properties. In estimating the fair value of the properties, the highest and best use of the properties is their current use. There has been no change to the valuation technique during the year.

The Group's investment properties as at the end of the reporting period were under Level 3 fair value hierarchy. There were no transfers into or out of Level 3 during the reporting period.



# NOTES TO FINANCIAL STATEMENTS

December 31, 2022

## 8 INVESTMENT PROPERTIES (Cont'd)

The following table shows the significant unobservable inputs used in the valuation model:

Description	Fair value as at December 31 RMB'000	Valuation technique(s)	Significant unobservable input(s)	Range	
<b>2022</b>					
Completed investment properties	25,691,960 <sup>(1)</sup>	Direct comparison approach	price per square metre <sup>(2)</sup>	RMB8,689 – RMB202,703	
			Income capitalisation approach	market rent per square metre per month <sup>(2)</sup>	RMB23 – RMB435
				capitalisation rate <sup>(3)</sup>	2.8% – 7.5%
Car parking spaces	1,504,520	Direct comparison approach	price per car park unit <sup>(2)</sup>	RMB118,000 – RMB347,997	
Investment properties under construction	4,040,000	Residual approach	price per square metre <sup>(2)</sup>	RMB39,737	
			market rent per square metre per month <sup>(2)</sup>	RMB92	
			capitalisation rate <sup>(3)</sup>	4.5%	
			price per car park unit <sup>(2)</sup>	RMB173,000	
	<u>31,236,480</u>				
<b>2021</b>					
Completed investment properties	25,343,157 <sup>(1)</sup>	Direct comparison approach	price per square metre <sup>(2)</sup>	RMB11,898 – RMB185,003	
			Income capitalisation approach	market rent per square metre per month <sup>(2)</sup>	RMB26 – RMB396
				capitalisation rate <sup>(3)</sup>	2.8% – 7.3%
Car parking spaces	1,549,920	Direct comparison approach	price per car park unit <sup>(2)</sup>	RMB117,500 – RMB345,006	
Investment properties under construction	3,589,000	Residual approach	price per square metre <sup>(2)</sup>	RMB29,349 – RMB39,738	
			price per car park unit <sup>(2)</sup>	RMB150,000	
	<u>30,482,077</u>				

<sup>(1)</sup> Some of the properties were based on either the Direct Comparison Approach (“DCA”), or the Income Capitalisation Approach (“ICA”), and the other properties were based on the combined approach of DCA and ICA.

<sup>(2)</sup> Any significant isolated increases (decreases) in these inputs would result in a significantly higher (lower) fair value measurement.

<sup>(3)</sup> Any significant isolated increases (decreases) in these inputs would result in a significantly lower (higher) fair value measurement.

# NOTES TO FINANCIAL STATEMENTS

December 31, 2022

## 8 INVESTMENT PROPERTIES (Cont'd)

The carrying amounts of investment properties pledged to banks and other lenders to secure the bank and other borrowings granted to the Group are disclosed in Note 21.

The rental income earned by the Group from its investment properties amounted to RMB953 million (2021 : RMB857 million). Direct operating expenses arising on the investment properties in the year amounted to RMB27 million (2021 : RMB47 million).

## 9 PROPERTIES FOR DEVELOPMENT/COMPLETED PROPERTIES FOR SALE/PROPERTIES UNDER DEVELOPMENT FOR SALE

	GROUP	
	2022 RMB'000	2021 RMB'000
At cost:		
Properties for development (Non-current assets)	<b>2,257,548</b>	9,919,786
Completed properties for sale (Current assets)	<b>10,709,085</b>	10,000,588
Properties under development for sale (Current assets)	<b>72,521,540</b>	30,952,651
	<b>85,488,173</b>	50,873,025

Properties for development, completed properties for sale and properties under development for sale are located in the PRC, Singapore and Malaysia.

Up to the end of the reporting period, total interest capitalised is as follows:

	GROUP	
	2022 RMB'000	2021 RMB'000
Properties for development	<b>309,089</b>	947,505
Completed properties for sale	<b>663,987</b>	607,662
Properties under development for sale	<b>7,751,988</b>	2,494,549

The carrying amounts of properties pledged to banks and other lenders to secure bank and other borrowings granted to the Group are disclosed in Note 21.

# NOTES TO FINANCIAL STATEMENTS

December 31, 2022

## 10 INVESTMENTS IN SUBSIDIARIES

	COMPANY	
	2022 RMB'000	2021 RMB'000
Unquoted equity shares, at cost	<b>20,600,307</b>	18,751,363

Details of the Company's significant subsidiaries are as follows:

Name of subsidiary	Place of incorporation (or residence)	Proportion of ownership interest and voting power held		Principal activities
		2022	2021	
		%	%	

### Held by the Company

Yanlord Commercial Property Investments Pte. Ltd. <sup>(a)</sup> 仁恒商业地产投资有限公司	Singapore	<b>100</b>	100	Investment holding
Yanlord Land Pte. Ltd. <sup>(a)</sup> 仁恒置地有限公司	Singapore	<b>100</b>	100	Investment holding
Yanlord Land (HK) Co., Limited <sup>(a)</sup> 仁恒地产(香港)有限公司	Hong Kong	<b>100</b>	100	Management services

### Held by Yanlord Commercial Property Investments Pte. Ltd. and its subsidiaries

McAlister and Company, Limited <sup>(a)</sup>	Singapore	<b>100</b>	100	Investment holding and provision of management services
O'Connor's Holdings Pte Ltd <sup>(a)</sup>	Singapore	<b>99</b>	99	Investment holding
O'Connor's Singapore Pte Ltd <sup>(a)</sup>	Singapore	<b>99</b>	99	System integrator and value-added reseller of security, telecommunication, scientific and medical systems
O'Connor's Technology Pte. Ltd. <sup>(a)</sup>	Singapore	<b>99</b>	99	Dormant
Puffersoft Labs Pte. Ltd. <sup>(a)</sup>	Singapore	<b>80</b>	80	Dormant
Shenyang Summer Palace Pte. Ltd. <sup>(a)</sup>	Singapore	<b>99</b>	99	Investment holding
Speedling Investment Pte Ltd <sup>(a)</sup>	Singapore	<b>99</b>	99	Investment holding
UE Centennial Venture Pte. Ltd. <sup>(a)</sup>	Singapore	<b>100</b>	100	Investment holding



# NOTES TO FINANCIAL STATEMENTS

December 31, 2022

## 10 INVESTMENTS IN SUBSIDIARIES (Cont'd)

Name of subsidiary	Place of incorporation (or residence)	Proportion of ownership interest and voting power held		Principal activities
		2022 %	2021 %	
Held by Yanlord Commercial Property Investments Pte. Ltd. and its subsidiaries (Cont'd)				
UE Dairy Farm Pte. Ltd. <sup>(a)</sup>	Singapore	<b>100</b>	100	Property development and leasing
UE Development (Alexandra) Pte. Ltd. <sup>(a)</sup>	Singapore	<b>100</b>	100	Property development and leasing
UE Development (Anson) Pte. Ltd. <sup>(a)</sup>	Singapore	<b>100</b>	100	Property development and leasing
UE Development (Bendemeer) Pte. Ltd. <sup>(a)</sup>	Singapore	<b>100</b>	100	In the process of striking off
UE One-North Developments Pte. Ltd. <sup>(a)</sup>	Singapore	<b>100</b>	100	Property development and leasing
UE Park Avenue (China) Pte. Ltd. <sup>(a)</sup>	Singapore	<b>100</b>	100	Investment holding
UE Park Avenue International Pte. Ltd. <sup>(a)</sup>	Singapore	<b>100</b>	100	Hotel management services
UE Support Services Pte Ltd <sup>(a)</sup>	Singapore	<b>100</b>	100	Management services
UE Trade Corporation Pte Ltd <sup>(a)</sup>	Singapore	<b>100</b>	100	Investment holding
UE UMC Pte. Ltd. <sup>(a)</sup>	Singapore	<b>100</b>	100	Investment holding
UE Ville Developments Pte Ltd <sup>(a)</sup>	Singapore	<b>100</b>	100	Property development and leasing
UED Alpha Pte. Ltd. <sup>(a)</sup>	Singapore	<b>100</b>	100	Property development and leasing
United Engineers Developments Pte. Ltd. <sup>(a)</sup>	Singapore	<b>100</b>	100	Property development and leasing and property facilities management
United Engineers Limited <sup>(a)</sup>	Singapore	<b>100</b>	100	Investment holding
United WBL Technology Pte. Ltd. <sup>(a)</sup>	Singapore	<b>100</b>	100	Investment holding

# NOTES TO FINANCIAL STATEMENTS

December 31, 2022

## 10 INVESTMENTS IN SUBSIDIARIES (Cont'd)

Name of subsidiary	Place of incorporation (or residence)	Proportion of ownership interest and voting power held		Principal activities
		2022 %	2021 %	
Held by Yanlord Commercial Property Investments Pte. Ltd. and its subsidiaries (Cont'd)				
WBL Corporation Limited <sup>(a)</sup>	Singapore	<b>99</b>	99	Investment holding and provision of management services to related companies
WBL Properties (Private) Limited <sup>(a)</sup>	Singapore	<b>99</b>	99	Investment holding
WBL Services (Private) Limited <sup>(a)</sup>	Singapore	<b>99</b>	99	Provision of management and financial services to related companies
WBL Properties (China) (Private) Limited <sup>(a)</sup>	Singapore	<b>99</b>	99	Investment holding and provision of management services to related companies
WBL Engineering & Distribution Pte. Ltd. <sup>(a)</sup>	Singapore	<b>99</b>	99	Supply and installation of building materials, industrial laundry and automotive parts and equipment
WBL Hollingsworth Singapore Pte. Ltd. <sup>(a)</sup>	Singapore	<b>80</b>	80	Investment holding
WBL International (1994) Limited <sup>(a)</sup>	Singapore	<b>99</b>	99	Investment holding
WBL Precision (Private) Limited <sup>(a)</sup>	Singapore	<b>99</b>	99	Investment holding
WBL Technology (Private) Limited <sup>(a)</sup>	Singapore	<b>99</b>	99	Investment holding
Yanlord Investment (Singapore) Pte. Ltd. <sup>(a)</sup> 仁恒投资(新加坡)有限公司	Singapore	<b>100</b>	100	Investment holding

# NOTES TO FINANCIAL STATEMENTS

December 31, 2022

## 10 INVESTMENTS IN SUBSIDIARIES (Cont'd)

Name of subsidiary	Place of incorporation (or residence)	Proportion of ownership interest and voting power held		Principal activities
		2022 %	2021 %	

Held by Yanlord Commercial Property Investments Pte. Ltd. and its subsidiaries (Cont'd)

Yanlord Singapore Office Pte. Ltd. <sup>(a)</sup>	Singapore	<b>100</b>	100	Investment holding
Yanlord Singapore Retail Pte. Ltd. <sup>(a)</sup>	Singapore	<b>100</b>	100	Investment holding
Far East Motors Malaysia Sendirian Berhad <sup>(c)</sup>	Malaysia	<b>99</b>	99	Dormant
Kumpulan O'Connor's (Malaysia) Sdn. Bhd. <sup>(c)</sup>	Malaysia	<b>99</b>	99	Investment holding
O'Connor's Engineering Sdn. Bhd. <sup>(c)</sup>	Malaysia	<b>99</b>	99	Supply, delivery, testing and commissioning of telecommunication, stage rigging system, audio-visual, studio projection and lighting equipment, data communication, card access and security systems, and after-sales service
O'Connor's Technologies Sdn. Bhd. <sup>(c)</sup>	Malaysia	<b>99</b>	99	Supply, delivery, testing and commissioning of telecommunication equipment and after-sales service
Peninsular Smart Sdn. Bhd. <sup>(c)</sup>	Malaysia	<b>100</b>	100	Property owner and property developer
UED Developments (M) Sdn. Bhd. <sup>(c)</sup>	Malaysia	<b>100</b>	100	Civil, electrical, mechanical engineers and contractors
WPSY (Malaysia) Sdn. Bhd. <sup>(c)</sup>	Malaysia	<b>99</b>	99	Diecasting and precision engineering



# NOTES TO FINANCIAL STATEMENTS

December 31, 2022

## 10 INVESTMENTS IN SUBSIDIARIES (Cont'd)

Name of subsidiary	Place of incorporation (or residence)	Proportion of ownership interest and voting power held		Principal activities
		2022	2021	
		%	%	
Held by Yanlord Commercial Property Investments Pte. Ltd. and its subsidiaries (Cont'd)				
UE Myanmar Limited <sup>(a)</sup>	Myanmar	<b>100</b>	100	Dormant
UE Trade Corporation (India) Private Limited <sup>(a)</sup>	India	<b>100</b>	100	Dormant
WBL (Hong Kong) Limited <sup>(a)</sup>	Hong Kong	<b>99</b>	99	Investment holding
Chengdu Huaxin International Realty Co., Ltd. <sup>(b)</sup>	PRC	<b>99</b>	99	Property development
Chengdu WBL UEST New Tech Co., Ltd. <sup>(a)</sup>	PRC	<b>84</b>	84	Production of bio-electronic products
Kunming Speedling Co., Ltd. <sup>(a)</sup>	PRC	<b>89</b>	89	Under liquidation
Shanghai WBL Enterprise Management Co., Ltd. <sup>(a)</sup>	PRC	<b>99</b>	99	Dormant
Shenyang Huaxin International City Development Co., Ltd. <sup>(a)</sup>	PRC	<b>99</b>	99	Property development
Shenyang Huaxin International Realty Co., Ltd. <sup>(a)</sup>	PRC	<b>99</b>	99	Property development
Shenyang Summer Palace Property Development Co., Ltd. <sup>(b)</sup>	PRC	<b>99</b>	99	Property development
Shenzhen Technology Development Corporation <sup>(a)</sup>	PRC	<b>60</b>	60	Dormant
Shenzhen Weko Biotechnology Limited <sup>(a)</sup>	PRC	<b>89</b>	89	Dormant
Suzhou Wearnes Technology Co., Ltd. <sup>(5) (a)</sup>	PRC	-	99	Dissolved
UE Park Avenue (Shanghai) Hotel Management Co., Ltd. <sup>(a)</sup>	PRC	<b>100</b>	100	Hotel and serviced apartment management

# NOTES TO FINANCIAL STATEMENTS

December 31, 2022

## 10 INVESTMENTS IN SUBSIDIARIES (Cont'd)

Name of subsidiary	Place of incorporation (or residence)	Proportion of ownership interest and voting power held		Principal activities
		2022 %	2021 %	

### Held by Yanlord Commercial Property Investments Pte. Ltd. and its subsidiaries (Cont'd)

UE (Shanghai) Enterprise Management Co., Ltd. <sup>(a)</sup>	PRC	<b>100</b>	100	Business management
WCSY Ltd <sup>(a)</sup>	PRC	<b>99</b>	99	Manufacture of electronic components
Wearnes Electronics Shenyang Ltd. <sup>(a)</sup>	PRC	<b>81</b>	81	Dormant
WPSY Ltd. <sup>(a)</sup>	PRC	<b>99</b>	99	Diecasting and precision engineering
WBL Technology (Shenyang) Ltd. <sup>(a)</sup>	PRC	<b>79</b>	79	Property investment
Yuan-Wearnes Technology (Changsha) Limited <sup>(a)</sup>	PRC	<b>55</b>	55	Dormant
Pacific Silica Pty Ltd <sup>(c)</sup>	Australia	<b>73</b>	73	Mineral sand mining
Cambion Electronics Limited <sup>(a)</sup>	United Kingdom	<b>99</b>	99	Manufacture of electronic connectors
Speedling, Incorporated <sup>(a)</sup>	United States of America	<b>99</b>	99	Transplant technology provider and production of seedlings
WBL (USA) Inc. <sup>(a)</sup>	United States of America	<b>99</b>	99	Investment holding

### Held by Yanlord Land Pte. Ltd. and its subsidiaries

Palovale Pte Ltd <sup>(a)</sup> 柏龙威有限公司	Singapore	<b>67</b>	67	Investment holding
Yanlord Eco Island Investments Pte. Ltd. <sup>(1) (a)</sup> 仁恒生态岛投资有限公司	Singapore	<b>51</b>	-	Investment holding
Yanlord Property Pte. Ltd. <sup>(a)</sup> 仁恒地产有限公司	Singapore	<b>100</b>	100	Investment holding

# NOTES TO FINANCIAL STATEMENTS

December 31, 2022

## 10 INVESTMENTS IN SUBSIDIARIES (Cont'd)

Name of subsidiary	Place of incorporation (or residence)	Proportion of ownership interest and voting power held		Principal activities
		2022 %	2021 %	
Held by Yanlord Land Pte. Ltd. and its subsidiaries (Cont'd)				
Yanlord Real Estate Pte. Ltd. <sup>(a)</sup> 仁恒置业发展有限公司	Singapore	<b>95</b>	95	Investment holding
Yanlord Singapore Residential Pte. Ltd. <sup>(a)</sup>	Singapore	<b>100</b>	100	Investment holding
East Hero Investment Limited <sup>(b)</sup> 东亨投资有限公司	Hong Kong	<b>100</b>	100	Investment holding
Flourish Fair Limited <sup>(b)</sup> 茂艺有限公司	Hong Kong	<b>80</b>	80	Investment holding
Successful Global Consultancy Co., Limited <sup>(b)</sup> 成顺环球咨询有限公司	Hong Kong	<b>100</b>	100	Management services
Greens Investments Limited <sup>(b)</sup> 绿色投资有限公司	British Virgin Islands	<b>100</b>	100	Investment holding
Chengdu Chuangyi Youju Housing Rental Co., Ltd. <sup>(3) (b)</sup> 成都创艺优居住房租赁有限公司	PRC	<b>100</b>	-	Property leasing and car park services
Chongzhou Yanlord Land Co., Ltd. <sup>(b)</sup> 崇州仁恒置地有限公司	PRC	<b>80</b>	80	Property development
Chengdu Everrising Asset Management Co., Ltd. <sup>(b)</sup> 成都市恒业东升资产经营管理 有限公司	PRC	<b>100</b>	100	Property development and investment
Chengdu Hengyi Life Service Co., Ltd. <sup>(b)</sup> 成都恒邑生活服务有限公司	PRC	<b>100</b>	100	Accommodation, food and beverage
Chengdu Renjing Real Estate Co., Ltd. <sup>(b)</sup> 成都仁璟置业有限公司	PRC	<b>100</b>	100	Property development
Chengdu Yanlord Investment Management Co., Ltd. <sup>(b)</sup> 成都仁恒投资管理有限公司	PRC	<b>100</b>	100	Management services and investment



# NOTES TO FINANCIAL STATEMENTS

December 31, 2022

## 10 INVESTMENTS IN SUBSIDIARIES (Cont'd)

Name of subsidiary	Place of incorporation (or residence)	Proportion of ownership interest and voting power held		Principal activities
		2022 %	2021 %	
Held by Yanlord Land Pte. Ltd. and its subsidiaries (Cont'd)				
Chengdu Yanlord Property Management Co., Ltd. <sup>(b)</sup> 成都仁恒物业管理有限公司	PRC	<b>100</b>	100	Property management
Xinfu Trade (Chengdu) Co., Ltd. <sup>(b)</sup> 信富商贸(成都)有限公司	PRC	<b>100</b>	100	Investment holding
Yanlord Hotel Management (Chengdu) Co., Ltd. <sup>(b)</sup> 仁恒酒店管理(成都)有限公司	PRC	<b>100</b>	100	Hotel and serviced apartment management
Yanlord Land (Chengdu) Co., Ltd. <sup>(b)</sup> 仁恒置地(成都)有限公司	PRC	<b>100</b>	100	Property development
Yanlord Real Estate (Chengdu) Co., Ltd. <sup>(b)</sup> 仁恒置业(成都)有限公司	PRC	<b>70</b>	70	Property development and management
Dongguan Herong Boyuan Property Development Co., Ltd. <sup>(b)</sup> 东莞市和融博源房地产开发有限公司	PRC	<b>60</b>	60	Property development and management
Dongguan Jiayi Industrial Investment Co., Ltd. <sup>(1) (b)</sup> 东莞市嘉济实业投资有限公司	PRC	<b>60</b>	-	Investment holding
Dongguan Renyuan Tianchen Real Estate Co., Ltd. <sup>(b)</sup> 东莞市仁远天宸置业有限公司	PRC	<b>100</b>	100	Property development
Guiyang Yanlord Property Management Co., Ltd. <sup>(b)</sup> 贵阳仁恒物业管理有限公司	PRC	<b>100</b>	100	Property management
Guangzhou Renyuan Tianchen Real Estate Co., Ltd. <sup>(b)</sup> 广州市仁远天宸置业有限公司	PRC	<b>100</b>	100	Property management
Hainan Jinzhonghong Industrial Development Co., Ltd. <sup>(b)</sup> 海南金中鸿实业发展有限公司	PRC	<b>51</b>	51	Property development

# NOTES TO FINANCIAL STATEMENTS

December 31, 2022

## 10 INVESTMENTS IN SUBSIDIARIES (Cont'd)

Name of subsidiary	Place of incorporation (or residence)	Proportion of ownership interest and voting power held		Principal activities
		2022 %	2021 %	
Held by Yanlord Land Pte. Ltd. and its subsidiaries (Cont'd)				
Haikou Yanlord Meishi Real Estate Co., Ltd. <sup>(3) (b)</sup> 海口仁恒美视置业有限公司	PRC	50	-	Property development
Haikou Yanlord Property Co., Ltd. <sup>(1) (b)</sup> 海口仁恒房地产有限公司	PRC	70	-	Property development
Hainan Yanlord Property Service Co., Ltd. <sup>(b)</sup> 海南仁恒物业服务服务有限公司	PRC	100	100	Property management
Hainan Yanlord Luqiao Investment Co., Ltd. <sup>(b)</sup> 海南仁恒陆侨投资有限公司	PRC	51	51	Property development
Yanlord Land (Hainan) Co., Ltd. <sup>(b)</sup> 仁恒置地(海南)有限公司	PRC	100	100	Investment holding
Yanlord (Hainan) Investment Co., Ltd. <sup>(b)</sup> 仁恒(海南)投资有限公司	PRC	100	100	Property development
Hangzhou Kesheng Property Development Co., Ltd. <sup>(2) (b)</sup> 杭州科昇房地产开发有限公司	PRC	30	30	Property development and management
Hangzhou Kerui Management Co. Ltd. <sup>(2) (b)</sup> 杭州科睿文化科技有限公司	PRC	30	30	Assorted business services
Hangzhou Renan Property Co., Ltd. <sup>(b)</sup> 杭州仁安房地产有限公司	PRC	100	100	Property development
Hangzhou Rencheng Property Development Co., Ltd. <sup>(5) (b)</sup> 杭州仁成房地产开发有限公司	PRC	-	100	Dissolved
Hangzhou Renhui Property Development Co., Ltd. <sup>(5) (b)</sup> 杭州仁惠房地产开发有限公司	PRC	-	100	Dissolved

# NOTES TO FINANCIAL STATEMENTS

December 31, 2022

## 10 INVESTMENTS IN SUBSIDIARIES (Cont'd)

Name of subsidiary	Place of incorporation (or residence)	Proportion of ownership interest and voting power held		Principal activities
		2022 %	2021 %	
Held by Yanlord Land Pte. Ltd. and its subsidiaries (Cont'd)				
Hangzhou Renrui Property Development Co., Ltd. <sup>(5) (b)</sup> 杭州仁瑞房地产开发有限公司	PRC	-	100	Dissolved
Hangzhou Renxiang Property Development Co., Ltd. <sup>(1) (b)</sup> 杭州仁祥房地产开发有限公司	PRC	51	-	Property development and management
Hangzhou Renyong Property Development Co., Ltd. <sup>(5) (b)</sup> 杭州仁永房地产开发有限公司	PRC	-	100	Dissolved
Hangzhou Renyuan Property Development Co., Ltd. <sup>(5) (b)</sup> 杭州仁元房地产开发有限公司	PRC	-	100	Dissolved
Hangzhou Renyuan Property Development Co., Ltd. <sup>(1) (b)</sup> 杭州仁远房地产开发有限公司	PRC	51	-	Property development
Jinan Gusheng Fitness Services Co., Ltd. <sup>(3) (b)</sup> 济南固盛健身服务有限公司	PRC	100	-	Fitness services
Jinan Yanlord Property Services Co., Ltd. <sup>(b)</sup> 济南仁恒物业服务有限公司	PRC	100	100	Property management
Jinan Yanlord Real Estate Co., Ltd. <sup>(b)</sup> 济南仁恒置业有限公司	PRC	100	100	Investment holding
Jinan Rentai Real Estate Co., Ltd. <sup>(b)</sup> 济南仁泰置业有限公司	PRC	100	100	Property development
Shandong Jigao Yanlord Property Service Co., Ltd. <sup>(b)</sup> 山东济高仁恒物业服务有限公司	PRC	100	100	Property management
Nanjing Daji Real Estate Development Co., Ltd. <sup>(b)</sup> 南京大吉房地产开发有限公司	PRC	51	51	Property development



# NOTES TO FINANCIAL STATEMENTS

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## 10 INVESTMENTS IN SUBSIDIARIES (Cont'd)

Name of subsidiary	Place of incorporation (or residence)	Proportion of ownership interest and voting power held		Principal activities
		2022 %	2021 %	
Held by Yanlord Land Pte. Ltd. and its subsidiaries (Cont'd)				
Nanjing Gusheng Fitness Services Co., Ltd. <sup>(3) (b)</sup> 南京固盛健身服务有限公司	PRC	100	-	Fitness services
Nanjing Hengzhijian Construction Engineering Co., Ltd. <sup>(3) (b)</sup> 南京恒知建建筑工程有限公司	PRC	100	-	Construction engineering
Nanjing Yanlord Jiangdao Real Estate Co., Ltd. <sup>(1) (b)</sup> 南京仁恒江岛置业有限公司	PRC	51	-	Property development
Nanjing Yanlord Ningxin Enterprise Management Co., Ltd. <sup>(3) (b)</sup> 南京仁恒宁新企业管理有限公司	PRC	100	-	Business management
Nanjing Yanlord Ningxin Real Estate Co., Ltd. <sup>(3) (b)</sup> 南京仁恒宁新置业有限公司	PRC	100	-	Property development
Nanjing Renan Property Development Co., Ltd. <sup>(b)</sup> 南京仁安房地产开发有限公司	PRC	51	51	Property development
Nanjing Renbei Property Development Co., Ltd. <sup>(b)</sup> 南京仁北房地产开发有限公司	PRC	70	70	Property development
Nanjing Renben Enterprise Management Co., Ltd. <sup>(b)</sup> 南京仁本企业管理有限公司	PRC	100	100	Business consultancy
Nanjing Renxing Enterprise Management Co., Ltd. <sup>(b)</sup> 南京仁兴企业管理有限公司	PRC	100	100	Business management
Nanjing Renyuan Investment Co., Ltd. <sup>(b)</sup> 南京仁远投资有限公司	PRC	100	100	Management services and investment
Nanjing Yanlord Trade Service Co., Ltd. <sup>(3) (b)</sup> 南京仁恒商贸服务有限公司	PRC	100	-	E-commerce and residential daily services

# NOTES TO FINANCIAL STATEMENTS

December 31, 2022

## 10 INVESTMENTS IN SUBSIDIARIES (Cont'd)

Name of subsidiary	Place of incorporation (or residence)	Proportion of ownership interest and voting power held		Principal activities
		2022 %	2021 %	
Held by Yanlord Land Pte. Ltd. and its subsidiaries (Cont'd)				
Nanjing Xinghuiheng Enterprise Management Co., Ltd. <sup>(4) (b)</sup> 南京星绘恒企业管理有限公司	PRC	60	60	Business management
Nanjing Xingrenli Property Development Co., Ltd. <sup>(4) (b)</sup> 南京星仁力房地产开发有限公司	PRC	60	60	Property development
Nanjing Yanlord Commercial Management Co., Ltd. <sup>(b)</sup> 南京仁恒商业管理有限公司	PRC	100	100	Property development and investment
Nanjing Yanlord Construction Management Co., Ltd. <sup>(b)</sup> 南京仁恒建设管理有限公司	PRC	100	100	Project management
Nanjing Yanlord Enterprise Management Co., Ltd. <sup>(b)</sup> 南京仁恒企业管理有限公司	PRC	100	100	Investment holding
Nanjing Yanlord Hotel Management Co., Ltd. <sup>(b)</sup> 南京仁恒酒店管理有限公司	PRC	100	100	Hotel and serviced apartment management
Nanjing Yanlord Information Technology Co., Ltd. <sup>(b)</sup> 南京仁恒信息技术有限公司	PRC	100	100	Information technology
Nanjing Yanlord Jiangzhou Property Development Co., Ltd. <sup>(b)</sup> 南京仁恒江洲房地产开发有限公司	PRC	100	100	Property development and management
Nanjing Yanlord Property Brokerage Co., Ltd. <sup>(b)</sup> 南京仁恒房地产经纪有限公司	PRC	100	100	Property brokerage
Nanjing Yanlord Property Management Co., Ltd. <sup>(b)</sup> 南京仁恒物业管理有限公司	PRC	100	100	Property management

# NOTES TO FINANCIAL STATEMENTS

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## 10 INVESTMENTS IN SUBSIDIARIES (Cont'd)

Name of subsidiary	Place of incorporation (or residence)	Proportion of ownership interest and voting power held		Principal activities
		2022 %	2021 %	
Held by Yanlord Land Pte. Ltd. and its subsidiaries (Cont'd)				
Nanjing Yanlord Real Estate Co., Ltd. <sup>(b)</sup> 南京仁恒置业有限公司	PRC	<b>100</b>	100	Property development
Nanjing Yu Dian Landscape Development Co., Ltd. <sup>(b)</sup> 南京御典园林发展有限公司	PRC	<b>80</b>	80	Landscaping and gardening
Nanjing Yiyao Real Estate Co., Ltd. <sup>(2) (b)</sup> 南京颐燕置业有限公司	PRC	<b>50</b>	50	Property development
Yanlord Cultural Tourism Development Co., Ltd. <sup>(b)</sup> 仁恒文旅发展有限公司	PRC	<b>100</b>	100	Tourism investment and asset management
Nantong Yanlord Intelligent Construction Hi-Tech Co., Ltd. <sup>(b)</sup> 南通仁恒智慧建筑科技有限公司	PRC	<b>100</b>	100	Construction engineering
Nantong Hechuang Real Estate Co., Ltd. <sup>(2) (b)</sup> 南通禾创置业有限公司	PRC	<b>31</b>	31	Property development
Nantong Renjia Real Estate Development Co., Ltd. <sup>(b)</sup> 南通仁嘉房地产开发有限公司	PRC	<b>100</b>	100	Property development
Nantong Renyi Real Estate Development Co., Ltd. <sup>(b)</sup> 南通仁亿房地产开发有限公司	PRC	<b>100</b>	100	Property development
Yanlord Land (Nantong) Co., Ltd. <sup>(b)</sup> 仁恒置地(南通)有限公司	PRC	<b>60</b>	60	Property development
Shenyang Rensheng Enterprise Management Co., Ltd. <sup>(b)</sup> 沈阳仁盛企业管理有限公司	PRC	<b>100</b>	100	Business management
Yanlord (Shenyang) Enterprise Management Co., Ltd. <sup>(b)</sup> 仁恒(沈阳)企业管理有限公司	PRC	<b>100</b>	100	Business management

# NOTES TO FINANCIAL STATEMENTS

December 31, 2022

## 10 INVESTMENTS IN SUBSIDIARIES (Cont'd)

Name of subsidiary	Place of incorporation (or residence)	Proportion of ownership interest and voting power held		Principal activities
		2022 %	2021 %	
Held by Yanlord Land Pte. Ltd. and its subsidiaries (Cont'd)				
Shenzhen Bantian Yanlord Investment and Development Co., Ltd. <sup>(b)</sup> 深圳市坂田仁恒投资发展有限公司	PRC	100	100	Property development
Shenzhen Dreamgallery Cinema Management Co., Ltd. <sup>(3) (b)</sup> 深圳梦影廊电影院管理有限公司	PRC	70	-	Cinema operation
Shenzhen Dongguan Shengtai Investment Co., Ltd. <sup>(b)</sup> 深圳市东关盛泰投资有限公司	PRC	95	95	Property development
Shenzhen Hengming Commercial Co., Ltd. <sup>(b)</sup> 深圳市恒明商业有限公司	PRC	100	100	Property development
Shenzhen Huarong Innovation Investment Co., Ltd. <sup>(b)</sup> 深圳市华融创新投资股份有限公司	PRC	100	100	Property development
Shenzhen Long Wei Xin Investment Co., Ltd. <sup>(b)</sup> 深圳市龙威信投资实业有限公司	PRC	95	95	Property development
Shenzhen Yanlord City Re-development Co., Ltd. <sup>(b)</sup> 深圳市仁恒城市更新发展有限公司	PRC	100	100	City redevelopment
Shenzhen Yanlord Commercial Management Co., Ltd. <sup>(b)</sup> 深圳市仁恒商业管理有限公司	PRC	100	100	Management services
Shenzhen Yanlord Home Coffee Co., Ltd. <sup>(b)</sup> 深圳市仁恒家咖啡有限公司	PRC	100	100	Food and beverage services
Shenzhen Yanlord Property Management Co., Ltd. <sup>(b)</sup> 深圳市仁恒物业管理有限公司	PRC	100	100	Property management
Xingheng (Shenzhen) Investment Management Co., Ltd. <sup>(1) (b)</sup> 兴恒(深圳)投资实业有限公司	PRC	70	-	Investment holding



# NOTES TO FINANCIAL STATEMENTS

December 31, 2022

## 10 INVESTMENTS IN SUBSIDIARIES (Cont'd)

Name of subsidiary	Place of incorporation (or residence)	Proportion of ownership interest and voting power held		Principal activities
		2022 %	2021 %	
Held by Yanlord Land Pte. Ltd. and its subsidiaries (Cont'd)				
Yanlord Land (Shenzhen) Co., Ltd. <sup>(b)</sup> 仁恒置地(深圳)有限公司	PRC	<b>100</b>	100	Property development and management
Yanlord (Shenzhen) Hotel Management Co., Ltd. <sup>(b)</sup> 仁恒(深圳)酒店管理有限公司	PRC	<b>100</b>	100	Hotel management
Yanlord (Shenzhen) Investment Management Co., Ltd. <sup>(b)</sup> 仁恒(深圳)投资实业有限公司	PRC	<b>100</b>	100	Investment holding
Shanghai Dongheng Industrial Development Co., Ltd. <sup>(b)</sup> 上海东衡实业发展有限公司	PRC	<b>100</b>	100	Construction related business
Shanghai Fengrui Trading Co., Ltd. <sup>(b)</sup> 上海奉睿商贸有限公司	PRC	<b>100</b>	100	Trading of building materials and hardware
Shanghai Gusheng Construction Intelligent Engineering Co., Ltd. <sup>(b)</sup> 上海固盛建筑智能化工程有限公司	PRC	<b>100</b>	100	Construction engineering
Shanghai Qiaopu Property Development Co., Ltd. <sup>(1) (b)</sup> 上海乔浦房地产开发有限公司	PRC	<b>51</b>	-	Property development
Shanghai Renan Property Development Co., Ltd. <sup>(b)</sup> 上海仁安房地产开发有限公司	PRC	<b>100</b>	100	Property development
Shanghai Renhang Real Estate Co., Ltd. <sup>(b)</sup> 上海仁杭置业有限公司	PRC	<b>100</b>	100	Property development and management
Shanghai Renjing Real Estate Co., Ltd. <sup>(b)</sup> 上海仁靖置业有限公司	PRC	<b>100</b>	100	Property development
Shanghai Renlan Industrial Co., Ltd. <sup>(b)</sup> 上海仁澜实业有限公司	PRC	<b>100</b>	100	Property development

# NOTES TO FINANCIAL STATEMENTS

December 31, 2022

## 10 INVESTMENTS IN SUBSIDIARIES (Cont'd)

Name of subsidiary	Place of incorporation (or residence)	Proportion of ownership interest and voting power held		Principal activities
		2022 %	2021 %	
Held by Yanlord Land Pte. Ltd. and its subsidiaries (Cont'd)				
Shanghai Renlan Real Estate Co., Ltd. <sup>(b)</sup> 上海仁澜置业有限公司	PRC	<b>100</b>	100	Property management
Shanghai Renpin Property Development Co., Ltd. <sup>(2) (b)</sup> 上海仁品房地产开发有限公司	PRC	<b>50</b>	50	Property development and management
Shanghai Renpu Real Estate Co., Ltd. <sup>(b)</sup> 上海仁浦置业有限公司	PRC	<b>100</b>	100	Property management
Shanghai Renrui Real Estate Co., Ltd. <sup>(b)</sup> 上海仁睿置业有限公司	PRC	<b>100</b>	100	Property development and management
Shanghai Rensheng Real Estate Co., Ltd. <sup>(1) (b)</sup> 上海仁晟置业有限公司	PRC	<b>100</b>	-	Property development and management
Shanghai Renzhu Real Estate Co., Ltd. <sup>(b)</sup> 上海仁竺置业有限公司	PRC	<b>100</b>	100	Property management
Shanghai Yanlord Education Training Co., Ltd. <sup>(b)</sup> 上海仁恒教育培训有限公司	PRC	<b>100</b>	100	Education and training
Shanghai Yanlord Elevator Co., Ltd. <sup>(b)</sup> 上海仁恒电梯有限公司	PRC	<b>100</b>	100	Sale, installation, repair and maintenance of elevators
Shanghai Yanlord Entertainment Development Co., Ltd. <sup>(b)</sup> 上海仁恒演艺发展有限公司	PRC	<b>100</b>	100	Cultural and art performance
Shanghai Yanlord Hongqiao Property Co., Ltd. <sup>(b)</sup> 上海仁恒虹桥房地产有限公司	PRC	<b>60</b>	60	Property development and management
Shanghai Yanlord Industrial Development Co., Ltd. <sup>(b)</sup> 上海仁恒实业发展有限公司	PRC	<b>100</b>	100	Management services and investment

# NOTES TO FINANCIAL STATEMENTS

December 31, 2022

## 10 INVESTMENTS IN SUBSIDIARIES (Cont'd)

Name of subsidiary	Place of incorporation (or residence)	Proportion of ownership interest and voting power held		Principal activities
		2022 %	2021 %	
Held by Yanlord Land Pte. Ltd. and its subsidiaries (Cont'd)				
Shanghai Yanlord Investment Management Co., Ltd. <sup>(1) (b)</sup> 上海仁恒投资管理有限公司	PRC	100	-	Management services and investment
Shanghai Yanlord Land Property Management Service Co., Ltd. <sup>(b)</sup> 上海仁恒置地物业服务管理有限公司	PRC	100	100	Property management
Shanghai Yanlord Property Brokerage Co., Ltd. <sup>(b)</sup> 上海仁恒房地产经纪有限公司	PRC	100	100	Property brokerage
Shanghai Yanlord Property Co., Ltd. <sup>(b)</sup> 上海仁恒房地产有限公司	PRC	67	67	Property development
Shanghai Yanlord Property Management Co., Ltd. <sup>(b)</sup> 上海仁恒物业管理有限公司	PRC	67	67	Property management
Shanghai Yanlord Real Estate Co., Ltd. <sup>(b)</sup> 上海仁恒置业发展有限公司	PRC	57	57	Property development
Shanghai Yanlord Senlan Real Estate Co., Ltd. <sup>(b)</sup> 上海仁恒森兰置业有限公司	PRC	100	100	Property development
Shanghai Yanlord Xing Tang Real Estate Co., Ltd. <sup>(b)</sup> 上海仁恒兴唐置业有限公司	PRC	100	100	Property development and management
Shanghai Yanlord Yangpu Property Co., Ltd. <sup>(b)</sup> 上海仁恒杨浦房地产有限公司	PRC	100	100	Property development
Shanghai Yanlord Youjia Enterprise Development Co., Ltd. <sup>(b)</sup> 上海仁恒友家企业发展有限公司	PRC	100	100	Business management
Shanghai Youyou Dongdao Real Estate Co., Ltd. <sup>(2) (b)</sup> 上海由由东岛置业有限公司	PRC	50	50	Property development

# NOTES TO FINANCIAL STATEMENTS

December 31, 2022

## 10 INVESTMENTS IN SUBSIDIARIES (Cont'd)

Name of subsidiary	Place of incorporation (or residence)	Proportion of ownership interest and voting power held		Principal activities
		2022 %	2021 %	
Held by Yanlord Land Pte. Ltd. and its subsidiaries (Cont'd)				
Shanghai Zhongting Property Development Co., Ltd. <sup>(1) (b)</sup> 上海中庭房地产开发有限公司	PRC	100	-	Property development
Yanlord (China) Investment Group Co., Ltd. <sup>(b)</sup> 仁恒(中国)投资集团有限公司	PRC	100	100	Management services and investment
Yanlord Commercial Management Co., Ltd <sup>(b)</sup> 仁恒商业管理有限公司	PRC	100	100	Assorted business services
Yanlord Equity Investment Management (Shanghai) Co., Ltd. <sup>(b)</sup> 仁恒股权投资管理(上海)有限公司	PRC	100	100	Investment management
Yanlord Property Service Management (China) Co., Ltd. <sup>(b)</sup> 仁恒物业服务管理(中国)有限公司	PRC	100	100	Property and investment management
Sanya Yanlord Real Estate Co., Ltd. <sup>(b)</sup> 三亚仁恒置业有限公司	PRC	100	100	Property development and management
Sanya Yanlord Travel Service Co., Ltd. <sup>(b)</sup> 三亚仁恒旅行社有限公司	PRC	100	100	Tourism and travel services
Changshu Future Land Yuexin Property Development Co., Ltd. <sup>(b)</sup> 常熟新城悦欣房地产开发有限公司	PRC	85	85	Property development
Suzhou Cangqiong Construction Engineering Co., Ltd. <sup>(b)</sup> 苏州苍穹建设工程有限公司	PRC	100	100	Construction engineering
Suzhou Future Agriworld Co., Ltd. <sup>(b)</sup> 苏州未来农林大世界有限公司	PRC	83	83	Agribusiness exhibition and trade emporium centre
Suzhou Gusheng Fitness Services Co., Ltd. <sup>(b)</sup> 苏州固盛健身服务有限公司	PRC	100	100	Fitness services



# NOTES TO FINANCIAL STATEMENTS

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## 10 INVESTMENTS IN SUBSIDIARIES (Cont'd)

Name of subsidiary	Place of incorporation (or residence)	Proportion of ownership interest and voting power held		Principal activities
		2022 %	2021 %	
Held by Yanlord Land Pte. Ltd. and its subsidiaries (Cont'd)				
Suzhou Peninsula Yanlord Real Estate Co., Ltd. <sup>(b)</sup> 苏州星岛仁恒置业有限公司	PRC	<b>100</b>	100	Property development
Suzhou Renan Real Estate Co., Ltd. <sup>(2) (b)</sup> 苏州仁安置业有限公司	PRC	<b>30</b>	30	Property development
Suzhou Renchang Real Estate Development Co., Ltd. <sup>(b)</sup> 苏州仁昌房地产开发有限公司	PRC	<b>100</b>	100	Property development
Suzhou Rendao Enterprise Management Co., Ltd. <sup>(b)</sup> 苏州市仁岛企业管理有限公司	PRC	<b>100</b>	100	Business consultancy
Suzhou Renhong Real Estate Development Co., Ltd. <sup>(b)</sup> 苏州仁宏房地产开发有限公司	PRC	<b>100</b>	100	Property development
Suzhou Renjia Real Estate Co., Ltd. <sup>(1) (b)</sup> 苏州仁嘉置业有限公司	PRC	<b>100</b>	-	Property development
Suzhou Rensheng Enterprise Management Co., Ltd. <sup>(b)</sup> 苏州仁盛企业管理有限公司	PRC	<b>100</b>	100	Business management and investment holding
Suzhou Rentong Property Development Co., Ltd. <sup>(b)</sup> 苏州市仁通房地产开发有限公司	PRC	<b>60</b>	60	Property development
Suzhou Renxin Commercial Operation Co., Ltd. <sup>(b)</sup> 苏州仁信商业运营有限公司	PRC	<b>100</b>	100	Property development
Suzhou Renyuan Real Estate Co., Ltd. <sup>(b)</sup> 苏州仁远置业有限公司	PRC	<b>100</b>	100	Property development
Suzhou Renzhuo Real Estate Co., Ltd. <sup>(1) (b)</sup> 苏州仁琢置业有限公司	PRC	<b>100</b>	-	Property development

# NOTES TO FINANCIAL STATEMENTS

December 31, 2022

## 10 INVESTMENTS IN SUBSIDIARIES (Cont'd)

Name of subsidiary	Place of incorporation (or residence)	Proportion of ownership interest and voting power held		Principal activities
		2022 %	2021 %	
Held by Yanlord Land Pte. Ltd. and its subsidiaries (Cont'd)				
Suzhou Yanlord Commercial Management Co., Ltd. <sup>(b)</sup> 苏州仁恒商业管理有限公司	PRC	<b>100</b>	100	Business management
Suzhou Yinghan Property Development Co., Ltd. <sup>(b)</sup> 苏州鹰汉房地产开发有限公司	PRC	<b>100</b>	100	Property development
Suzhou Zhonghui Property Development Co., Ltd. <sup>(b)</sup> 苏州中辉房地产开发有限公司	PRC	<b>100</b>	100	Property development
Yanlord Property Development (Suzhou) Co., Ltd. <sup>(b)</sup> 仁恒置业(苏州)有限公司	PRC	<b>100</b>	100	Property development and management
Yanlord Property (Suzhou) Co., Ltd. <sup>(b)</sup> 仁恒地产(苏州)有限公司	PRC	<b>100</b>	100	Property development
Taicang Renhua Property Development Co., Ltd. <sup>(1) (b)</sup> 太仓仁铎房地产开发有限公司	PRC	<b>51</b>	-	Property development
Taicang Renlixin Science and Technology Development Co., Ltd. <sup>(b)</sup> 太仓仁力新科技发展有限公司	PRC	<b>60</b>	60	Property development
Taicang Renzhuo Real Estate Co., Ltd. <sup>(b)</sup> 太仓市仁琢置业有限公司	PRC	<b>100</b>	100	Property development
Taicang Yanlord Science and Technology Development Co., Ltd. <sup>(b)</sup> 太仓仁恒科技发展有限公司	PRC	<b>100</b>	100	Property development
Tangshan Yanlord Property Management Co., Ltd. <sup>(b)</sup> 唐山仁恒物业服务服务有限公司	PRC	<b>100</b>	100	Property management

# NOTES TO FINANCIAL STATEMENTS

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## 10 INVESTMENTS IN SUBSIDIARIES (Cont'd)

Name of subsidiary	Place of incorporation (or residence)	Proportion of ownership interest and voting power held		Principal activities
		2022 %	2021 %	
Held by Yanlord Land Pte. Ltd. and its subsidiaries (Cont'd)				
Tianjin Yanlord Beiyang Real Estate Co., Ltd. <sup>(b)</sup> 天津仁恒北洋置业有限公司	PRC	<b>100</b>	100	Property development and management
Tianjin Gusheng Fitness Services Co., Ltd. <sup>(b)</sup> 天津固盛健身服务有限公司	PRC	<b>100</b>	100	Leisure and fitness
Tianjin Yanlord Garden Co., Ltd. <sup>(b)</sup> 天津艺苑园林有限公司	PRC	<b>80</b>	80	Landscaping and gardening
Tianjin Yanlord Haihe Development Co., Ltd. <sup>(b)</sup> 天津仁恒海河开发有限公司	PRC	<b>80</b>	80	Property development
Tianjin Yanlord Hehai Real Estate Co., Ltd. <sup>(b)</sup> 天津仁恒和海置业有限公司	PRC	<b>60</b>	60	Property development
Tianjin Yanlord Ho Bee Property Development Co., Ltd. <sup>(b)</sup> 天津仁恒和美房地产开发有限公司	PRC	<b>51</b>	51	Property development
Tianjin Yanlord Property Management Co., Ltd. <sup>(b)</sup> 天津仁恒物业服务有限公司	PRC	<b>100</b>	100	Property management
Tianjin Yanlord Jiaye Property Development Co., Ltd. <sup>(5) (b)</sup> 天津仁恒嘉业房地产开发有限公司	PRC	-	100	Dissolved
Tianjin Renmei Real Estate Co., Ltd. <sup>(b)</sup> 天津仁美置业有限公司	PRC	<b>51</b>	51	Property development
Tianjin Yanlord Xinjia Property Development Co., Ltd. <sup>(5) (b)</sup> 天津仁恒新嘉房地产开发有限公司	PRC	-	100	Dissolved
Yanlord Development (Tianjin) Co., Ltd. <sup>(b)</sup> 仁恒发展(天津)有限公司	PRC	<b>100</b>	100	Property development

# NOTES TO FINANCIAL STATEMENTS

December 31, 2022

## 10 INVESTMENTS IN SUBSIDIARIES (Cont'd)

Name of subsidiary	Place of incorporation (or residence)	Proportion of ownership interest and voting power held		Principal activities
		2022 %	2021 %	
Held by Yanlord Land Pte. Ltd. and its subsidiaries (Cont'd)				
Yanlord Hotel Management (Tianjin) Co., Ltd. <sup>(3) (b)</sup> 仁恒酒店管理(天津)有限公司	PRC	100	-	Hotel and property management
Wuhan Rentai Real Estate Co., Ltd. <sup>(b)</sup> 武汉仁泰置业有限公司	PRC	100	100	Property development
Wuhan Renyao Real Estate Co., Ltd. <sup>(b)</sup> 武汉仁耀置业有限公司	PRC	100	100	Property development
Wuhan Tianxiang Real Estate Co., Ltd. <sup>(2) (b)</sup> 武汉天象置业有限公司	PRC	50	50	Property development
Wuhan Yanlord Zhuyeshan Real Estate Co., Ltd. <sup>(b)</sup> 武汉仁恒竹叶山置业有限公司	PRC	55	55	Property development
Yanlord Land (Wuhan) Co., Ltd. <sup>(b)</sup> 仁恒置地(武汉)有限公司	PRC	100	100	Property development
Jiangyin Rensheng Property Development Co., Ltd. <sup>(b)</sup> 江阴市仁盛房地产开发有限公司	PRC	51	61	Property development
Wuxi Hengyuanfa Real Estate Co., Ltd. <sup>(b)</sup> 无锡恒元发置业有限公司	PRC	51	51	Property development
Wuxi Renxin Real Estate Co., Ltd. <sup>(1) (b)</sup> 无锡仁新置业有限公司	PRC	51	-	Property development
Renzhuo Property Development (Yancheng) Co., Ltd. <sup>(b)</sup> 仁琢地产开发(盐城)有限公司	PRC	100	100	Property development
Yancheng Real Estate Co., Ltd. <sup>(b)</sup> 盐城房投置业有限公司	PRC	51	51	Property development



# NOTES TO FINANCIAL STATEMENTS

December 31, 2022

## 10 INVESTMENTS IN SUBSIDIARIES (Cont'd)

Name of subsidiary	Place of incorporation (or residence)	Proportion of ownership interest and voting power held		Principal activities
		2022 %	2021 %	
Held by Yanlord Land Pte. Ltd. and its subsidiaries (Cont'd)				
Yancheng Renlan Real Estate Co., Ltd. <sup>(b)</sup> 盐城仁澜置业有限公司	PRC	100	100	Property development
Yancheng Property Development Co., Ltd. <sup>(b)</sup> 盐城房投地产开发有限公司	PRC	51	51	Property development
Yanlord (Yancheng) Property Development Co., Ltd. <sup>(b)</sup> 仁恒(盐城)地产开发有限公司	PRC	100	100	Property development
Yangzhou Jiangzhou Hanyun Property Development Co., Ltd. <sup>(2) (b)</sup> 扬州江洲邗韵房地产开发有限公司	PRC	50	50	Property development
Yangzhou Yanlord Construction Management Co., Ltd. <sup>(3) (b)</sup> 扬州仁恒建设管理有限公司	PRC	100	-	Construction engineering
Zhuhai Maokai Eco Hi-tech Co., Ltd. <sup>(b)</sup> 珠海茂凯生态科技有限公司	PRC	80	80	Landscaping and gardening
Zhuhai Renyuan Enterprise Management Co., Ltd. <sup>(b)</sup> 珠海仁远企业管理有限公司	PRC	100	100	Property development
Zhuhai Renyuan Investment Co., Ltd. <sup>(b)</sup> 珠海仁远投资有限公司	PRC	100	100	Management services and investment
Zhuhai Renyuan Land Co., Ltd. <sup>(b)</sup> 珠海市仁远置地有限公司	PRC	100	100	Property development
Zhuhai Renyuan Property Development Co., Ltd. <sup>(b)</sup> 珠海仁远房地产开发有限公司	PRC	100	100	City redevelopment
Zhuhai Renyuan Service Consultancy Co., Ltd. <sup>(b)</sup> 珠海仁远服务咨询有限公司	PRC	100	100	Property development

# NOTES TO FINANCIAL STATEMENTS

December 31, 2022

## 10 INVESTMENTS IN SUBSIDIARIES (Cont'd)

Name of subsidiary	Place of incorporation (or residence)	Proportion of ownership interest and voting power held		Principal activities
		2022 %	2021 %	

### Held by Yanlord Land Pte. Ltd. and its subsidiaries (Cont'd)

Zhuhai Renyuan Real Estate Co., Ltd. <sup>(b)</sup> 珠海仁远置业有限公司	PRC	<b>100</b>	100	City redevelopment
Zhuhai Yanlord Heyou Land Co., Ltd. <sup>(b)</sup> 珠海仁恒和由置地有限公司	PRC	<b>57</b>	57	Property development and management
Zhuhai Yanlord Heyuan Land Co., Ltd. <sup>(b)</sup> 珠海仁恒和远置地有限公司	PRC	<b>57</b>	57	Property development
Zhuhai Yanlord Industrial Ltd. <sup>(b)</sup> 珠海仁恒实业有限公司	PRC	<b>95</b>	95	Property development
Zhuhai Yanlord Property Management Co., Ltd. <sup>(b)</sup> 珠海仁恒物业管理有限公司	PRC	<b>100</b>	100	Property management
Zhuhai Yanlord Real Estate Development Co., Ltd. <sup>(b)</sup> 珠海仁恒置业发展有限公司	PRC	<b>90</b>	90	Property development
Zhongshan Renyuan Investment Co., Ltd. <sup>(b)</sup> 中山仁远投资有限公司	PRC	<b>100</b>	100	Investment holding
Zhongshan Renyuan Real Estate Co., Ltd. <sup>(b)</sup> 中山仁远置业有限公司	PRC	<b>100</b>	100	Investment holding
Zhongshan Renyuan Property Development Co., Ltd. <sup>(b)</sup> 中山仁远房地产开发有限公司	PRC	<b>100</b>	100	Property development

<sup>(1)</sup> Acquired during 2022 (Note 33).

<sup>(2)</sup> Although the Group does not effectively own more than 50% of the equity shares of these entities, it has sufficiently dominant voting right and power to direct the relevant activities of these entities and therefore the Group has unilateral control over these entities and hence regards these entities as subsidiaries.

<sup>(3)</sup> Incorporated during 2022.

<sup>(4)</sup> The proportion of the Group's equity interests in Nanjing Xinghuiheng Enterprise Management Co., Ltd. ("Nanjing Xinghuiheng") and Nanjing Xingrenli Property Development Co., Ltd. ("Nanjing Xingrenli") is 60% held through its 100%-owned subsidiary. The subsidiary is the registered shareholder as to 60% of equity interest in Nanjing Xinghuiheng, which holds 100% of equity interest in Nanjing Xingrenli.

Pursuant to a cooperation agreement between the Group and the other shareholder of Nanjing Xinghuiheng, the proportion of the Group's ownership interest and voting power in the underlying residential development project undertaken by Nanjing Xingrenli is 100%. Management considered that the residential segment of Nanjing Xingrenli represents a separate entity under SFRS(I) 10 notwithstanding the legal ownership held by the subsidiary in Nanjing Xinghuiheng of 60% mentioned above. Accordingly, the Group's effective interest and voting power in the residential segment of Nanjing Xinghuiheng and Nanjing Xingrenli is 100%.

<sup>(5)</sup> Dissolved during 2022.

# NOTES TO FINANCIAL STATEMENTS

December 31, 2022

## 10 INVESTMENTS IN SUBSIDIARIES (Cont'd)

### Notes on auditors

- (a) Audited or reviewed by Deloitte & Touche LLP, Singapore for statutory or consolidation purposes.  
 (b) Audited or reviewed by Deloitte Touche Tohmatsu Certified Public Accountants LLP, Shanghai, PRC for consolidation purposes.  
 (c) Audited by member firms of Deloitte Touche Tohmatsu Limited.

The following schedule shows the effects of changes in the Group's ownership interest in subsidiaries that did not result in change of control, on the equity attributable to owners of the parent:

	GROUP	
	2022 RMB'000	2021 RMB'000
Amount (received from) paid on change of interest in subsidiaries	(114)	1,144,011
Non-controlling interests recognised (acquired)	39	(971,921)
Difference recognised in statutory and other reserve	(75)	172,090

Details of non wholly-owned subsidiaries that have material non-controlling interests to the Group are disclosed below:

Name of subsidiary	Place of incorporation and principal place of business	Proportion of ownership interest and voting rights held by non-controlling interests		Profit attributable to non-controlling interests		Accumulated non-controlling interests	
		2022	2021	2022	2021	2022	2021
		%	%	RMB'000	RMB'000	RMB'000	RMB'000
Nanjing Yanlord Jiangdao Real Estate Co., Ltd. 南京仁恒江岛置业有限公司	PRC	49	-	357,755	-	1,425,400	-
Nantong Hechuang Real Estate Co., Ltd. 南通禾创置业有限公司	PRC	69	69	253,551	278,637	332,917	280,627
Wuhan Yanlord Zhuyeshan Real Estate Co., Ltd. 武汉仁恒竹叶山置业有限公司	PRC	45	45	-	491,195	4,500	763,403
Individually immaterial subsidiaries with non-controlling interests				725,638	611,552	8,620,345	8,535,910
				1,336,944	1,381,384	10,383,162	9,579,940

# NOTES TO FINANCIAL STATEMENTS

December 31, 2022

## 10 INVESTMENTS IN SUBSIDIARIES (Cont'd)

Summarised financial information in respect of each of the Group's subsidiaries that has material non-controlling interests is set out below. The summarised financial information below represents amounts before intragroup eliminations.

	Nanjing Yanlord Jiangdao Real Estate Co., Ltd. 南京仁恒江岛置业有限公司		Nantong Hechuang Real Estate Co., Ltd. 南通禾创置业有限公司		Wuhan Yanlord Zhuyeshan Real Estate Co., Ltd. 武汉仁恒竹叶山置业有限公司	
	2022 RMB'000	2021 RMB'000	2022 RMB'000	2021 RMB'000	2022 RMB'000	2021 RMB'000
Non-current assets	848,594	-	157	461	336	890
Current assets	4,287,764	-	834,154	3,465,980	542,953	2,112,058
Current liabilities	(2,227,379)	-	(354,603)	(3,062,080)	(544,134)	(811,118)
Total equity	2,908,979		479,708	404,361	(845)	1,301,830
Equity attributable to:						
Owners of the Company	1,483,579	-	146,791	123,734	(5,345)	538,427
Non-controlling interests	1,425,400	-	332,917	280,627	4,500	763,403
Revenue	5,477,324	-	2,452,539	3,564,014	15,032	2,926,561
Profit for the year, representing total comprehensive income for the year	730,112	-	365,347	401,494	51	696,924
Total comprehensive income attributable to:						
Owners of the Company	372,357	-	111,796	122,857	51	205,729
Non-controlling interests	357,755	-	253,551	278,637	-	491,195
Net cash (outflow) inflow from:						
- Operating activities	(628,254)	-	(211,334)	264,622	(349,827)	22,136
- Investing activities	5,918	-	268,629	(293,385)	104,906	(199,017)
- Financing activities <sup>(1)</sup>	35,982	-	(190,223)	(639)	-	(2,816)
Net cash outflow	(586,354)		(132,928)	(29,402)	(244,921)	(179,697)
<sup>(1)</sup> Including dividend paid to non-controlling interests	-	-	(42,630)	-	-	-



# NOTES TO FINANCIAL STATEMENTS

December 31, 2022

## 11 INVESTMENTS IN ASSOCIATES/NON-TRADE AMOUNTS DUE FROM/TO ASSOCIATES

	GROUP	
	2022 RMB'000	2021 RMB'000
Cost of investments in associates	<b>1,739,361</b>	1,999,589
Share of post-acquisition (loss) profit, net of dividend received	<b>(27,115)</b>	61,559
	<b>1,712,246</b>	2,061,148
Non-trade amounts due from associates (Note 6)		
- Non-current assets	<b>690,058</b>	1,148,764
- Current assets	<b>1,541,758</b>	1,713,941
Non-trade amounts due to associates (Current liabilities) (Note 6)	<b>936,658</b>	792,795

As at December 31, 2022, the Group's non-current non-trade amounts due from associates are interest-free, unsecured and are not expected to be repayable within the next 12 months except for the amount of RMB213 million (2021 : RMB214 million) which bears interest at 8.0% (2021 : 8.0%) per annum.

As at December 31, 2022, the Group's current non-trade amounts due from associates are interest-free, unsecured and repayable on demand except for the amounts of RMB541 million (2021 : RMB1.083 billion) which bear interests at 6.0% to 9.0% (2021 : 8.48% to 9.0%) per annum and are repayable within 1 year from the end of the reporting period.

As at December 31, 2022, the Group's current non-trade amounts due to associates are interest-free, unsecured and repayable on demand except for the amounts of RMB618 million (2021 : RMB458 million) which bear interests at 3.7% to 12.0% (2021 : 12.0%) per annum and is repayable within 1 year from the end of the reporting period.

### Aggregate information of the Group's associates that are not individually material

	GROUP	
	2022 RMB'000	2021 RMB'000
Group's share of (loss) profit from continuing operations	<b>(102,791)</b>	37,303
Group's share of other comprehensive (expense) income	<b>(3,084)</b>	6,870
Group's share of total comprehensive (expense) income	<b>(105,875)</b>	44,173
<u>Aggregate carrying amount of the Group's interests in these associates</u>	<b>1,712,246</b>	2,061,148

### Unrecognised share of loss of associates

	GROUP	
	2022 RMB'000	2021 RMB'000
Group's unrecognised share of loss of associates for the year	<b>45</b>	81
<u>Cumulative unrecognised share of loss of associates</u>	<b>126</b>	81

# NOTES TO FINANCIAL STATEMENTS

December 31, 2022

## 12 INVESTMENTS IN JOINT VENTURES/NON-TRADE AMOUNTS DUE FROM/TO JOINT VENTURES

	GROUP	
	2022 RMB'000	2021 RMB'000
Cost of investments in joint ventures	<b>6,717,701</b>	8,399,122
Share of post-acquisition profit, net of dividend received	<b>2,246,624</b>	1,711,410
	<b>8,964,325</b>	10,110,532
Non-trade amounts due from joint ventures (Note 6)		
- Non-current assets	<b>1,982,465</b>	1,799,988
- Current assets	<b>6,925,493</b>	10,030,971
Non-trade amounts due to joint ventures (Note 6)		
- Non-current liabilities	<b>425,812</b>	200,000
- Current liabilities	<b>8,852,316</b>	12,267,340

As at December 31, 2022, the Group's non-current non-trade amounts due from joint ventures are interest-free, unsecured and are not expected to be repayable within the next 12 months except for the amounts of RMB335 million (2021 : RMB40 million) which bear interests at 6.0% to 9.0% (2021 : 6.0%) per annum.

As at December 31, 2022, the Group's current non-trade amounts due from joint ventures are interest-free, unsecured and repayable on demand except for the amounts of RMB1.498 billion (2021 : RMB2.488 billion) which bear interests at 3.3% to 9.0% (2021 : 4.35% to 9.0%) per annum and are repayable within 1 year from the end of the reporting period.

As at December 31, 2022, the Group's non-current non-trade amounts due to joint ventures are interest-free, unsecured and are not expected to be repayable within the next 12 months except for the amounts of RMB225 million (2021 : RMB Nil) which bear interest at 1.05% (2021 : Nil%) per annum.

As at December 31, 2022, the Group's current non-trade amounts due to joint ventures are interest-free, unsecured and repayable on demand except for the amount of RMB430 million (2021 : RMB500 million) which bears interest at 6.0% (2021 : 6.0%) per annum and is repayable within 1 year from the end of the reporting period.

Aggregate information of the Group's joint ventures that are not individually material

	GROUP	
	2022 RMB'000	2021 RMB'000
Group's share of profit from continuing operations	<b>687,127</b>	1,213,233
Group's share of other comprehensive income (expense)	<b>7</b>	(7)
Group's share of total comprehensive income	<b>687,134</b>	1,213,226
Aggregate carrying amount of the Group's interests in these joint ventures	<b>8,964,325</b>	10,110,532

Unrecognised share of loss of joint ventures

	GROUP	
	2022 RMB'000	2021 RMB'000
Group's unrecognised share of loss of joint ventures for the year	-	40,354
Cumulative unrecognised share of loss of joint ventures	<b>121,767</b>	124,085

# NOTES TO FINANCIAL STATEMENTS

December 31, 2022

## 13 NON-TRADE AMOUNTS DUE FROM/TO NON-CONTROLLING SHAREHOLDERS OF SUBSIDIARIES

As at December 31, 2022, the Group's non-current non-trade amounts due from non-controlling shareholders of subsidiaries are interest-free, unsecured and are not expected to be repayable within the next 12 months except for the amount of RMB178 million (2021 : RMB200 million) which bears interest at the People's Bank of China's benchmark rate.

The Group's current non-trade amounts due from non-controlling shareholders of subsidiaries are interest-free, unsecured and repayable on demand except as disclosed below:

- a) As at December 31, 2022, amounts of RMB501 million (2021 : RMB826 million) bear interests at 1.5% to 8.0% (2021 : 1.5% to 8.0%) per annum. These amounts are unsecured and repayable within 1 year from the end of the reporting period.
- b) As at December 31, 2022, amounts of RMB270 million (2021 : RMB Nil) bear interest at 5.35% (2021 : Nil%) per annum. These amounts are unsecured and repayable on demand.
- c) As at December 31, 2022, amount of RMB609 million (2021 : RMB803 million) bears interest at 12% (2021 : 12.0%) per annum. This amount is secured by the non-controlling shareholder's share in a subsidiary, guarantee provided by a related party of the non-controlling shareholder of that subsidiary and the land use right owned by the related party of the non-controlling shareholder of that subsidiary and repayable within 1 year from the end of the reporting period.

As at December 31, 2022, the Group's non-current non-trade amount due to a non-controlling shareholder of a subsidiary is interest-free, unsecured and is not expected to be repayable within the next 12 months.

As at December 31, 2022, the Group's current non-trade amounts due to non-controlling shareholders of subsidiaries are interest-free, unsecured and repayable on demand except for the amounts of RMB2.500 billion (2021 : RMB366 million) which bear interests at 5.1% to 9.5% (2021 : 6.0% to 9.5%) per annum and are repayable within 1 year from the end of the reporting period.

# NOTES TO FINANCIAL STATEMENTS

December 31, 2022

## 14 OTHER RECEIVABLES AND DEPOSITS

	GROUP		COMPANY	
	2022 RMB'000	2021 RMB'000	2022 RMB'000	2021 RMB'000
Advances to suppliers	142,301	270,286	-	-
Deposits for projects	2,167,034	2,314,346	-	-
Staff loans	3,732	3,432	-	-
Prepayments	112,952	75,973	13	-
Value added tax ("VAT") prepayment	2,036,006	1,145,827	-	-
Sales-related tax prepayment	164,445	63,259	-	-
Interest receivables	222,667	211,696	185	-
Payments for resettlement <sup>(1)</sup>	600,319	600,319	-	-
Transition funds <sup>(2)</sup>	1,903,012	1,379,740	-	-
Loan receivables <sup>(3)</sup>	394,885	649,400	-	-
Other receivables	1,357,205	1,149,915	-	-
	<b>9,104,558</b>	<b>7,864,193</b>	<b>198</b>	-
Analysed as:				
- Non-current	2,281,800	2,409,445	-	-
- Current	6,822,758	5,454,748	198	-
	<b>9,104,558</b>	<b>7,864,193</b>	<b>198</b>	-

<sup>(1)</sup> This relates to payments for resettlement of land parcel in Chengdu.

<sup>(2)</sup> This relates to transition funds for supply chain asset backed security in respect of the supplier finance arrangement (Note 23).

<sup>(3)</sup> This includes non-current loan receivables which are interest-free, unsecured and are not expected to be repayable within the next 12 months except for the amount of RMB200 million (2021 : RMB200 million) which bears interest at 10.6% (2021 : 10.6%) per annum, and current loan receivables which are interest-free, unsecured and repayable on demand except for the amounts of RMB33 million (2021 : RMB288 million) which bear interests at 3.65% to 4.0% (2021 : 3.8% to 6.0%) per annum and are repayable within 1 year from the end of the reporting period.

Management considers the credit risk on other receivables and deposits to be limited because the counterparties are government agents or third parties with long business relationships with the Group.

## 15 INTANGIBLE ASSETS

	GROUP	
	2022 RMB'000	2021 RMB'000
Club memberships	2,092	812

Management assessed the marketable value of the club memberships and determined that it was in excess of its carrying amount.

## 16 DEFERRED TAXATION

	GROUP	
	2022 RMB'000	2021 RMB'000
Deferred tax assets	816,888	577,930
Deferred tax liabilities	(4,440,393)	(4,620,894)
	<b>(3,623,505)</b>	<b>(4,042,964)</b>



# NOTES TO FINANCIAL STATEMENTS

December 31, 2022

## 16 DEFERRED TAXATION (Cont'd)

The following are the deferred tax assets and liabilities recognised by the Group and movements thereon during the current and prior reporting year.

	Revaluation of investment properties	Revaluation upon acquisition of subsidiaries	Accrued income on completed project	Accelerated tax depreciation and excess of tax deductible expenses	Withholding tax	Tax losses	Excess of tax deductible development costs and other expenses	Others	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
<b>GROUP</b>									
At January 1, 2021	(3,001,101)	(501,419)	(195,141)	32,805	(712,675)	285,702	285,409	(97,461)	(3,903,881)
(Charge) Credit to profit or loss for the year (Note 28)	(68,317)	47,511	6,742	(71,734)	(96,222)	52,911	(33,190)	7,091	(155,208)
Acquisition of subsidiaries	-	-	-	-	-	748	-	-	748
Change of control from subsidiary to joint venture	-	-	-	-	-	(424)	-	-	(424)
Realised during the year	-	-	-	-	10,994	(24,991)	-	-	(13,997)
Exchange difference	-	20,745	9,232	1,411	-	(171)	(760)	(659)	29,798
At December 31, 2021	(3,069,418)	(433,163)	(179,167)	(37,518)	(797,903)	313,775	251,459	(91,029)	(4,042,964)
Credit (Charge) to profit or loss for the year (Note 28)	661	(46,948)	(35,543)	(6,315)	(49,387)	37,887	125,466	90,123	115,944
Acquisition of subsidiaries	-	-	-	-	-	98,933	-	-	98,933
Realised during the year	-	-	-	-	281,786	(14,852)	-	-	266,934
Exchange difference	-	(45,805)	(19,130)	(801)	-	834	866	1,684	(62,352)
At December 31, 2022	(3,068,757)	(525,916)	(233,840)	(44,634)	(565,504)	436,577	377,791	778	(3,623,505)

At the end of the reporting period, the Group has unutilised tax losses of RMB4.640 billion (2021 : RMB3.148 billion) available for offset against future profits subject to agreement with the tax authorities and compliance with certain provisions of the tax legislation of the respective countries or regions in which the entities operate. A deferred tax asset of RMB437 million (2021 : RMB314 million) has been recognised in respect of RMB1.758 billion (2021 : RMB1.267 billion) of such losses at the tax rates range from 15% to 25%. No deferred tax asset has been recognised in respect of the remaining tax losses of RMB2.882 billion (2021 : RMB1.881 billion) due to the unpredictability of future profit streams. The tax losses have no expiry date except for RMB4.252 billion (2021 : RMB2.795 billion) which will expire between 2023 and 2036 (2021 : 2022 and 2036), subject to the conditions imposed by law including the retention of majority shareholders as defined.

# NOTES TO FINANCIAL STATEMENTS

December 31, 2022

## 17 PLEDGED BANK DEPOSITS AND CASH AND CASH EQUIVALENTS

	GROUP		COMPANY	
	2022 RMB'000	2021 RMB'000	2022 RMB'000	2021 RMB'000
Pledged bank deposits:				
- Non-current	6,005	-	-	-
- Current	20,011	268,301	-	-
	<b>26,016</b>	268,301	-	-
Cash on hand	1,253	627	5	4
Cash at bank	19,044,178	21,175,254	21,100	4,094
Fixed deposits	1,650,613	375,837	365,000	-
Cash and cash equivalents	<b>20,696,044</b>	21,551,718	<b>386,105</b>	4,098

Pledged bank deposits represent deposits pledged to banks for performance guarantee for resettlement projects and to secure the bank and other borrowings and certain mortgage loans provided by banks to customers for the purchase of the Group's development properties. As at December 31, 2022, the non-current portion of pledged bank deposits is expected to be released beyond one year.

## 18 PUT LIABILITY TO ACQUIRE NON-CONTROLLING INTERESTS

This represents the fair value of the put liability to acquire non-controlling interests as part of the share purchase agreement of a subsidiary.

As at December 31, 2022, the obligation amount of RMB138 million is recorded herewith as "current liabilities" as the earliest date for the non-controlling shareholders to exercise the non-cancellable right to put back their shares to the Group is expected within one year.

As at December 31 2021, the obligation amount of RMB338 million was recorded herewith as "non-current liabilities" as the earliest date for the non-controlling shareholders to exercise the non-cancellable right to put back their shares to the Group was expected beyond one year.

During the year, distribution of dividends to non-controlling shareholders of RMB194 million which represents the repayment of the liability is recognised in the "other reserve" on the consolidated statement of changes in equity.

## 19 SHARE CAPITAL

	GROUP AND COMPANY			
	2022 '000	2021 '000	2022 RMB'000	2021 RMB'000
	<b>Number of ordinary shares</b>			
Issued and paid up:				
At beginning and end of year	<b>1,948,736</b>	1,948,736	<b>7,261,726</b>	7,261,726

Fully paid up ordinary shares, which have no par value, carry one vote per share and a right to dividends as and when declared by the Company.

# NOTES TO FINANCIAL STATEMENTS

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## 20 TREASURY SHARES

	GROUP AND COMPANY			
	2022 '000	2021 '000	2022 RMB'000	2021 RMB'000
	<b>Number of ordinary shares</b>			
At beginning and end of year	<b>17,201</b>	17,201	<b>132,309</b>	132,309

As of the end of the reporting period, the Company acquired 17,201,100 (2021 : 17,201,100) of its own shares through purchases on the Singapore Exchange and the total amount paid to acquire the shares was RMB132 million (2021 : RMB132 million), which had been deducted from equity attributable to owners of the Company. The shares are held as "treasury shares".

## 21 BANK AND OTHER BORROWINGS

	GROUP	
	2022 RMB'000	2021 RMB'000
The bank and other borrowings are repayable as below:		
On demand or within one year	<b>11,822,726</b>	9,189,332
More than one year but not exceeding two years	<b>12,358,157</b>	8,009,329
More than two years but not exceeding five years	<b>4,344,011</b>	12,424,374
More than five years	<b>6,024,288</b>	5,136,684
	<b>34,549,182</b>	34,759,719
Less: Amount due for settlement within 12 months (shown under current liabilities)	<b>(11,822,726)</b>	(9,189,332)
Amount due for settlement after 12 months	<b>22,726,456</b>	25,570,387
Secured:		
- Non-current	<b>15,787,902</b>	16,859,384
- Current	<b>7,980,482</b>	3,992,547
	<b>23,768,384</b>	20,851,931
Unsecured:		
- Non-current	<b>6,938,554</b>	8,711,003
- Current	<b>3,842,244</b>	5,196,785
	<b>10,780,798</b>	13,907,788
	<b>34,549,182</b>	34,759,719

The following assets are pledged for the above secured bank and other borrowings and undrawn loan facilities:

	GROUP	
	2022 RMB'000	2021 RMB'000
Properties under development for sale	<b>24,031,611</b>	10,634,670
Investment properties	<b>18,174,019</b>	17,709,773
Freehold land and buildings	<b>31,711</b>	36,101
Leasehold land and buildings	<b>2,182,638</b>	2,274,863
Motor vehicles	-	4,727
Plant and machinery	<b>30,106</b>	-
Bank deposits	<b>18,350</b>	16,516

# NOTES TO FINANCIAL STATEMENTS

December 31, 2022

## 21 BANK AND OTHER BORROWINGS (Cont'd)

### Reconciliation of liabilities arising from financing activities

The table below details changes in the Group's liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Group's consolidated statement of cash flows as cash flows from financing activities.

	January 1, 2022	Financing cash flow	Non-cash changes				Dividend declared	Other Changes	December 31, 2022
			Acquisition of subsidiaries	Deferred finance charge	Foreign exchange movement				
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	
Bank and other borrowings	34,759,719	(7,699,285) <sup>(1)</sup>	6,103,400	99,060	1,286,288	-	-	34,549,182	
Senior notes	7,915,018	(214,343) <sup>(2)</sup>	-	21,180	720,721	-	(77,913)	8,364,663	
Lease liabilities	235,208	(66,544) <sup>(3)</sup>	7,670	-	4,180	-	(88,372)	92,142	
Non-trade amounts due to associates	792,795	379,377 <sup>(4)</sup>	-	-	-	-	(235,514)	936,658	
Non-trade amounts due to joint ventures	12,467,340	1,764,658 <sup>(5)</sup>	(5,698,251)	-	-	-	744,381	9,278,128	
Non-trade amounts due to directors	41,893	(45,101) <sup>(6)</sup>	-	-	862	-	29,438	27,092	
Non-trade amounts due to non-controlling shareholders of subsidiaries	3,281,045	(1,887,848) <sup>(7)</sup>	4,061,167	-	-	2,145,453	(1,299,207)	6,300,610	
Non-trade amounts due to other related parties	16,606	-	11,088	-	-	-	(20,832)	6,862	
Dividend payable	-	(616,426) <sup>(8)</sup>	-	-	-	616,426	-	-	
Total	59,509,624	(8,385,512)	4,485,074	120,240	2,012,051	2,761,879	(948,019)	59,555,337	

	January 1, 2021	Financing cash flow	Non-cash changes				Dividend declared	Other changes	December 31, 2021
			Acquisition of subsidiaries	Change from subsidiaries to joint ventures	Deferred finance charge	Foreign exchange movement			
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	
Bank and other borrowings	34,727,324	57,862 <sup>(1)</sup>	400,000	-	69,599	(495,066)	-	-	34,759,719
Senior notes	8,008,097	67,137 <sup>(2)</sup>	-	-	-	(98,882)	-	(61,334)	7,915,018
Lease liabilities	272,353	(73,635) <sup>(3)</sup>	-	-	-	(9,587)	-	46,077	235,208
Non-trade amounts due to associates	1,062,119	75,476 <sup>(4)</sup>	-	-	-	-	-	(344,800)	792,795
Non-trade amounts due to joint ventures	7,845,737	81,890 <sup>(5)</sup>	(358,245)	-	-	(43)	-	4,898,001	12,467,340
Non-trade amounts due to directors	143,642	(99,058) <sup>(6)</sup>	-	-	-	(2,691)	-	-	41,893
Non-trade amounts due to non-controlling shareholders of subsidiaries	2,329,755	2,161,474 <sup>(7)</sup>	1,475,012	(1,547,870)	-	-	11,938	(1,149,264)	3,281,045
Non-trade amounts due to other related parties	19,805	(3,199) <sup>(8)</sup>	-	-	-	-	-	-	16,606
Dividend payable	-	(640,540) <sup>(9)</sup>	-	-	-	-	640,540	-	-
Total	54,408,832	1,627,407	1,516,767	(1,547,870)	69,599	(606,269)	652,478	3,388,680	59,509,624



# NOTES TO FINANCIAL STATEMENTS

December 31, 2022

## 21 BANK AND OTHER BORROWINGS (Cont'd)

- <sup>(1)</sup> The cash flows make up the net amount of proceeds from bank and other borrowings and repayment of bank and other borrowings in the consolidated statement of cash flows.
- <sup>(2)</sup> The cash flows make up the net amount of net proceeds on issue of senior notes as well as repurchase and redemption of senior notes in the consolidated statement of cash flows.
- <sup>(3)</sup> The cash flows represent repayment of lease liabilities in the consolidated statement of cash flows.
- <sup>(4)</sup> The cash flows represent advance from and repayment to associates in the consolidated statement of cash flows.
- <sup>(5)</sup> The cash flows represent advance from and repayment to joint ventures in the consolidated statement of cash flows.
- <sup>(6)</sup> The cash flows represent repayment to directors in the consolidated statement of cash flows.
- <sup>(7)</sup> The cash flows make up the net amount of dividends paid to non-controlling shareholders of subsidiaries as well as advance from and repayment to non-controlling shareholders of subsidiaries in the consolidated statement of cash flows.
- <sup>(8)</sup> The cash flows represent repayment to other related parties in the consolidated statement of cash flows.
- <sup>(9)</sup> The cash flows represent dividends paid in the consolidated statement of cash flows.

## 22 SENIOR NOTES

The senior notes comprise notes issued from 2018 to 2021.

### Notes 2023

The senior notes amounting to US\$350 million (equivalent to RMB2.438 billion) were issued by a wholly-owned subsidiary of the Company on April 23, 2018 ("Notes 2023") for a term of five years with maturity date on April 23, 2023, bears interest at 6.75% per annum with interest payable on April 23 and October 23 of each year, commencing on October 23, 2018. The senior notes are denominated in US dollars. During the year ended December 31, 2022, the cumulative interests accrued on Notes 2023 were calculated by applying effective interest rates of 7.2% (2021 : 7.2%) per annum. The Company and five of its subsidiaries have provided a joint guarantee in respect of Notes 2023. The joint guarantee approximates RMB2.301 billion as at December 31, 2022 (2021 : RMB2.231 billion). Additionally, shares in five of its subsidiaries are charged in favour of the global security agent and trustee of Notes 2023. During the year, the Company repurchased certain amounts of Notes 2023 and US\$330 million (equivalent to RMB2.301 billion) principal remain outstanding as at December 31, 2022.

### Notes 2024

The senior notes amounting to US\$400 million (equivalent to RMB2.786 billion) were issued by a wholly-owned subsidiary of the Company on August 27, 2019 ("Notes 2024") for a term of four and half years with maturity date on February 27, 2024, bears interest at 6.8% per annum with interest payable on February 27 and August 27 of each year, commencing on February 27, 2020. The senior notes are denominated in US dollars. During the year ended December 31, 2022, the cumulative interests accrued on Notes 2024 were calculated by applying effective interest rates of 7.2% (2021 : 7.2%) per annum. The Company and five of its subsidiaries have provided a joint guarantee in respect of Notes 2024. The joint guarantee approximates RMB2.619 billion as at December 31, 2022 (2021 : RMB2.550 billion). Additionally, shares in five of its subsidiaries are charged in favour of the global security agent and trustee of Notes 2024. During the year, the Company repurchased certain amounts of Notes 2024 and US\$376 million (equivalent to RMB2.619 billion) principal remain outstanding as at December 31, 2022.

# NOTES TO FINANCIAL STATEMENTS

December 31, 2022

## 22 SENIOR NOTES (Cont'd)

### Notes 2026

The senior notes amounting to US\$500 million (equivalent to RMB3.482 billion) were issued by a wholly-owned subsidiary of the Company on May 20, 2021 ("Notes 2026") for a term of five years with maturity date on May 20, 2026, bears interest at 5.125% per annum with interest payable on May 20 and November 20 of each year, commencing on November 20, 2021. The senior notes are denominated in US dollars. During the year ended December 31, 2022, the cumulative interests accrued on Notes 2026 were calculated by applying effective interest rates of 5.4% per annum (2021 : 5.4%). The Company and five of its subsidiaries have provided a joint guarantee in respect of Notes 2026. The joint guarantee approximates RMB3.482 billion as at December 31, 2022 (2021 : RMB3.188 billion). Additionally, shares in five of its subsidiaries are charged in favour of the global security agent and trustee of Notes 2026.

	GROUP	
	2022 RMB'000	2021 RMB'000
Nominal value of senior notes issued	<b>8,705,750</b>	11,590,740
Transaction costs <sup>(1)</sup>	<b>(101,828)</b>	(126,878)
At date of issue <sup>(2)</sup>	<b>8,603,922</b>	11,463,862
Cumulative interest accrued	<b>1,748,027</b>	1,932,991
Cumulative interest paid	<b>(1,578,496)</b>	(1,753,928)
Repurchase and redemption	<b>(297,549)</b>	(3,621,115)
	<b>8,475,904</b>	8,021,810
Interest payable within one year included in other payables (Note 24)	<b>(111,241)</b>	(106,792)
Total	<b>8,364,663</b>	7,915,018
Presented as:		
- Non-current	<b>6,065,790</b>	7,915,018
- Current	<b>2,298,873</b>	-
	<b>8,364,663</b>	7,915,018

<sup>(1)</sup> Transaction costs included non-audit fees paid to the auditors of the Company in connection with the issuance of senior notes by the Group (Note 29).

<sup>(2)</sup> Changes in amount at date of issue relative to the preceding year's amount include the effect of translation to the presentation currency and have been included in the currency translation reserve.

# NOTES TO FINANCIAL STATEMENTS

December 31, 2022

## 23 TRADE PAYABLES

	GROUP	
	2022 RMB'000	2021 RMB'000
Non-controlling shareholder of a subsidiary	<b>544,646</b>	428,083
Outside parties	<b>11,774,081</b>	10,223,817
	<b>12,318,727</b>	10,651,900

The average credit period for trade payables is 145 days (2021 : 146 days). As at the end of the reporting period, the Group has trade payables of RMB2.486 billion (2021 : RMB3.258 billion) under supplier finance arrangement.

## 24 OTHER PAYABLES

	GROUP		COMPANY	
	2022 RMB'000	2021 RMB'000	2022 RMB'000	2021 RMB'000
Advances received from customers	<b>966,588</b>	700,355	-	-
Deposits for projects	<b>1,061,837</b>	968,988	-	-
Consideration payables for acquisition	<b>194,202</b>	194,202	-	-
Accrued expenses	<b>260,617</b>	328,271	<b>4,098</b>	4,672
VAT payable	<b>188,057</b>	505,168	-	-
Sales-related tax payable	<b>85,786</b>	87,996	-	-
Interest payable on senior notes	<b>111,241</b>	106,792	-	-
Other interest payable	<b>92,220</b>	59,695	-	-
Other payables	<b>2,840,319</b>	1,390,176	-	-
	<b>5,800,867</b>	4,341,643	<b>4,098</b>	4,672
Analysed as:				
- Non-current	<b>275,548</b>	285,350	-	-
- Current	<b>5,525,319</b>	4,056,293	<b>4,098</b>	4,672
	<b>5,800,867</b>	4,341,643	<b>4,098</b>	4,672

# NOTES TO FINANCIAL STATEMENTS

December 31, 2022

## 25 REVENUE AND CONTRACT LIABILITIES

	GROUP	
	2022 RMB'000	2021 RMB'000
<b>Types of goods or services</b>		
Income from property development – sales of properties	<b>24,723,066</b>	31,034,557
Income from hotel operations	<b>288,405</b>	409,614
Income from property management	<b>999,183</b>	939,249
Income from others	<b>1,667,662</b>	1,553,441
	<b>27,678,316</b>	33,936,861
Income from property investment – lease of properties	<b>1,033,948</b>	896,273
Total	<b>28,712,264</b>	34,833,134
<b>Timing of revenue recognition</b>		
A point in time	<b>23,667,888</b>	30,671,216
Over time	<b>4,010,428</b>	3,265,645
Total	<b>27,678,316</b>	33,936,861

The transaction price allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) as at the end of the reporting period and the expected timing of recognising revenue are as follows:

	GROUP	
	2022 RMB'000	2021 RMB'000
Revenue expected to be recognised within one year	<b>45,150,429</b>	12,375,218
Revenue expected to be recognised after one year	<b>12,213,425</b>	12,927,066
	<b>57,363,854</b>	25,302,284

As at December 31, 2022, the Group's contract liabilities is as follows:

	GROUP	
	2022 RMB'000	2021 RMB'000
Contract liabilities	<b>55,835,952</b>	23,399,875

The Group receives payments from customers based on billing schedule as established in contracts. Payments are usually received in advance of the performance under the contracts which are mainly from sales of properties.

The amount of revenue recognised that was included in the contract liabilities at the beginning of the year is as follows:

	GROUP	
	2022 RMB'000	2021 RMB'000
Revenue recognised	<b>10,628,847</b>	13,633,562



# NOTES TO FINANCIAL STATEMENTS

December 31, 2022

## 26 OTHER OPERATING INCOME AND OTHER GAINS

	GROUP	
	2022 RMB'000	2021 RMB'000
Dividend income from financial assets at FVTOCI	10,526	12,877
Fair value gain on financial asset at FVTPL	86	153
Fair value gain from put liability to acquire non-controlling interests	6,262	60,199
Interest income	436,310	284,965
Net gain on disposal of property, plant and equipment	187,683	3,700
Net gain on disposal of investment properties	-	362
Gain on disposal of right-of-use assets	5,235	-
Gain on remeasurement of retained interests in joint ventures (Note 33)	239,518	111,715
Gain on bargain purchase (Note 33)	4,403	-
Gain on change of control from subsidiaries to joint ventures	-	1,038
Gain on disposal of subsidiaries	-	71,576
Gain on repurchase of senior notes	77,913	-
Government subsidies	27,648	28,888
Others	143,909	125,386
<b>Total</b>	<b>1,139,493</b>	<b>700,859</b>

## 27 FINANCE COST

	GROUP	
	2022 RMB'000	2021 RMB'000
Interest on bank and other borrowings	1,923,275	1,676,975
Interest on senior notes	534,393	575,322
Interest on lease liabilities	7,821	9,573
Interest to joint ventures	29,222	85,162
Interest to non-controlling shareholders of subsidiaries	241,451	244,328
<b>Total borrowing costs</b>	<b>2,736,162</b>	<b>2,591,360</b>
Less: Interest capitalised in		
- properties for development	(53,781)	(196,176)
- properties under development for sale	(1,550,211)	(1,364,054)
<b>Net</b>	<b>1,132,170</b>	<b>1,031,130</b>

# NOTES TO FINANCIAL STATEMENTS

December 31, 2022

## 28 INCOME TAX

	GROUP	
	2022 RMB'000	2021 RMB'000
Current	<b>1,322,750</b>	1,646,572
Deferred income tax (Note 16)	<b>(165,331)</b>	58,986
Deferred withholding tax (Note 16)	<b>49,387</b>	96,222
LAT	<b>1,402,535</b>	1,919,047
Over provision in prior years	<b>(30,260)</b>	(1,413)
Total	<b>2,579,081</b>	3,719,414

In 2022 and 2021, most of the taxation arising in the PRC is calculated at the prevailing rate of 25%.

The income tax expense varied from the amount of income tax expense determined by applying the above income tax rate to profit before income tax as a result of the following differences:

	GROUP	
	2022 RMB'000	2021 RMB'000
Profit before income tax	<b>5,448,587</b>	7,756,828
Income tax expense at PRC applicable tax rate of 25%*	<b>1,362,147</b>	1,939,207
Non-deductible items	<b>276,885</b>	468,818
Non-taxable items	<b>(228,501)</b>	(272,220)
Effect of unutilised tax losses not recognised as deferred tax assets	<b>150,662</b>	103,121
Effect of different tax rates for certain subsidiaries	<b>(18,340)</b>	(34,842)
LAT	<b>1,402,535</b>	1,919,047
Effect of tax deduction on LAT	<b>(350,634)</b>	(474,838)
Withholding tax incurred	<b>49,387</b>	96,222
Over provision in prior years	<b>(30,260)</b>	(1,413)
Others	<b>(34,800)</b>	(23,688)
Total income tax expense	<b>2,579,081</b>	3,719,414

\* These are the applicable tax rates for most of the Group's taxable profits.

Income tax for overseas subsidiaries is calculated at the rates prevailing in the respective jurisdiction.

Income from sale of properties in the PRC is subject to LAT at progressive rates under the PRC provisional regulations. LAT pre-paid on the pre-sale proceeds of properties is included in the "income tax prepayment" on the consolidated statement of financial position and is transferred to income tax expense when the revenue is recognised.

According to a PRC tax circular of State Administration of Taxation, Guoshuihan (2008) No.112, dividend distributed out of the profits generated since January 1, 2008 held by the PRC entity to non-resident investors shall be subject to PRC withholding income tax. Deferred tax liability of RMB49 million (2021 : RMB96 million) in respect of PRC withholding tax on the undistributed earnings of the PRC subsidiaries has been charged to the consolidated statement of profit or loss of the year.

# NOTES TO FINANCIAL STATEMENTS

December 31, 2022

## 28 INCOME TAX (Cont'd)

### LAT

As disclosed in the prior years' audited consolidated financial statements, provision for the LAT with respect to properties sold in Shanghai Pudong New District prior to October 1, 2006 were not made as the directors of the Company, after taking into account legal advice received and consultation with the local Shanghai Pudong Tax Bureau, were of the opinion that the relevant tax authority is not likely to impose any LAT on a retrospective basis.

As at December 31, 2014, the tax settlement process for a completed project and a phase of a project with properties sold in Shanghai Pudong New District prior to October 1, 2006 had been completed, with additional LAT payments made by the Group. For the projects with properties sold in Shanghai Pudong New District subsequent to October 1, 2006, the tax settlement amount determined by the tax authorities for a phase of a project which has commenced the tax settlement process was lower than what the Group has previously provided for based on the tax laws. Management has assessed and considers that the provision for LAT made by the Group relating to the above projects for which the tax settlement process had commenced or completed was adequate to meet the tax settlement amount determined by the tax authorities.

Management is of the view that it is not probable that the tax authority will impose further LAT tax payments on the above projects located in Shanghai Pudong New District in excess of the provision previously made by the Group. The additional LAT tax exposure in the event of future re-assessment by the tax authorities has been estimated by management to be approximately RMB597 million (2021 : RMB597 million) (before effects of deductibility for income tax assessment purpose and adjustment for non-controlling interests) as at December 31, 2022. The amount has been disclosed as part of the Group's contingent liabilities in accordance with SFRS(I) 1-37 *Provisions, Contingent Liabilities and Contingent Assets* (Note 38).

The actual Group's LAT liabilities are subject to the determination by the tax authorities upon completion of the property development projects.

# NOTES TO FINANCIAL STATEMENTS

December 31, 2022

## 29 PROFIT FOR THE YEAR

Profit for the year has been arrived at after charging:

	GROUP	
	2022 RMB'000	2021 RMB'000
Allowance for doubtful debts and bad debts written-off	<b>465,545</b>	79,988
Depreciation of property, plant and equipment	<b>238,158</b>	247,313
Depreciation of right-of-use assets	<b>71,326</b>	74,885
<b>Employee benefits expense (including directors' remuneration):</b>		
Retirement benefit scheme contributions	<b>141,032</b>	122,816
Salaries and other short-term benefits	<b>1,634,402</b>	1,603,327
Total employee benefits expense	<b>1,775,434</b>	1,726,143
Directors' fees	<b>2,460</b>	2,398
Directors' remuneration recorded in:		
- the Company	<b>24,334</b>	41,161
- the subsidiaries	<b>10,353</b>	10,404
	<b>34,687</b>	51,565
Net foreign exchange loss	<b>38,361</b>	64,590
Cost of completed properties for sale recognised as expenses	<b>18,476,519</b>	23,796,598
<b>Audit fees:</b>		
- paid to auditors of the Company	<b>8,422</b>	8,023
- paid to other auditors of the subsidiaries	<b>3,202</b>	3,656
Total audit fees	<b>11,624</b>	11,679
<b>Non-audit fees:</b>		
- paid to auditors of the Company <sup>(1)</sup>	<b>287</b>	315
- paid to other auditors of the subsidiaries	<b>1,038</b>	2,323
Total non-audit fees	<b>1,325</b>	2,638
<b>Aggregate amount of fees paid to auditors</b>	<b>12,949</b>	14,317

<sup>(1)</sup> In 2021, total non-audit fees of RMB1 million paid to auditors of the Company in connection with the issuance of senior notes by the Group had been capitalised in the carrying amount of the senior notes (Note 22).



# NOTES TO FINANCIAL STATEMENTS

December 31, 2022

## 30 EARNINGS PER SHARE

The calculation of the basic and diluted earnings per share attributable to shareholders holding ordinary shares of the Company is based on the following data:

	GROUP	
	2022 RMB'000	2021 RMB'000
<u>Earnings</u>		
Earnings for the purposes of basic and diluted earnings per share (profit attributable to owners of the Company)	<b>1,532,562</b>	2,656,030
<u>Number of shares</u>		
Weighted average number of ordinary shares for the purposes of basic and diluted earnings per share	<b>1,931,535,376</b>	1,931,535,376
<u>Earnings per share (Renminbi cents):</u>		
Basic and diluted	<b>79.34</b>	137.51

There is no potential dilutive ordinary share in 2022 and 2021.

## 31 DIVIDENDS

In 2022, approximately RMB616 million of dividends was declared and paid in respect of a final tax-exempt dividend of 6.80 Singapore cents (equivalent to 31.91 Renminbi cents) per ordinary share of the Company for the financial year ended December 31, 2021.

In 2021, approximately RMB641 million of dividends was declared and paid in respect of a final tax-exempt dividend of 6.80 Singapore cents (equivalent to 33.16 Renminbi cents) per ordinary share of the Company for the financial year ended December 31, 2020.

No dividend has been declared for the financial year ended December 31, 2022.

# NOTES TO FINANCIAL STATEMENTS

December 31, 2022

## 32 SEGMENT INFORMATION

The Group's reportable operating segments are as follows:

- (i) Property development: Development of residential, commercial and other properties.
- (ii) Property investment and hotel operations: Leasing of properties to generate rental income and to gain from the appreciation in the value of the properties in the long term and operating hotels to generate accommodation service and related income.
- (iii) Property management: Provision of property management and ancillary services.
- (iv) Others: Investment holding, project management business for projects bearing the "Yanlord" brand name, manufacture of die-cast precision parts and components, supply and installation of building materials, provision of system integration for security and surveillance, satellite and telecommunication and others such as sand mining.

Information regarding the operations of each reportable segment is included below. Management monitors the operating results of each operating segment for the purpose of making decisions on resource allocation and performance assessment.

### Segment revenue and results

The following is an analysis of the Group's revenue and results by reportable segment:

	GROUP			
	Revenue		Profit (Loss) before income tax	
	2022 RMB'000	2021 RMB'000	2022 RMB'000	2021 RMB'000
Property development	<b>24,723,066</b>	31,034,557	<b>5,221,714</b>	7,914,676
Property investment and hotel operations	<b>1,322,353</b>	1,305,887	<b>422,398</b>	400,023
Property management	<b>999,183</b>	939,249	<b>88,566</b>	94,066
Others	<b>1,667,662</b>	1,553,441	<b>(284,091)</b>	(651,937)
<b>Total</b>	<b>28,712,264</b>	34,833,134	<b>5,448,587</b>	7,756,828

Segment profit represents the profit earned by each segment as determined using the Group's accounting policies. This is the measure reported to the chief operating decision maker for the purposes of resources allocation and assessment of segment performance.

### Segment assets

	GROUP	
	2022 RMB'000	2021 RMB'000
Property development	<b>133,051,167</b>	98,492,116
Property investment and hotel operations	<b>34,434,469</b>	34,629,158
Property management	<b>819,020</b>	753,085
Others	<b>20,761,184</b>	20,574,077
<b>Total assets</b>	<b>189,065,840</b>	154,448,436

All assets are allocated to reportable segments. Liabilities are not allocated as they are not monitored by the chief operating decision maker for the purposes of resource allocation and assessment of segment performance.

# NOTES TO FINANCIAL STATEMENTS

December 31, 2022

## 32 SEGMENT INFORMATION (Cont'd)

### Other segment information

	GROUP			
	Depreciation		Additions to non-current assets	
	2022	2021	2022	2021
	RMB'000	RMB'000	RMB'000	RMB'000
Property development	<b>91,893</b>	93,877	<b>1,931,545</b>	5,339,951
Property investment and hotel operations	<b>139,068</b>	149,317	<b>645,435</b>	710,481
Property management	<b>6,205</b>	4,875	<b>5,177</b>	7,226
Others	<b>74,021</b>	76,345	<b>118,937</b>	93,933
Total	<b>311,187</b>	324,414	<b>2,701,094</b>	6,151,591

### Geographical information

The Group operates in two principal geographical areas - the PRC and Singapore.

The Group's revenue from external customers and information about its segment assets (non-current assets excluding other receivables and deposits, non-trade amounts due from associates, joint ventures and non-controlling shareholders of subsidiaries, financial assets at FVTOCI, deferred tax assets and pledged bank deposits) by geographical location are detailed below:

	GROUP			
	Revenue from external customers		Non-current assets	
	2022	2021	2022	2021
	RMB'000	RMB'000	RMB'000	RMB'000
PRC	<b>25,547,817</b>	32,786,984	<b>35,172,061</b>	45,193,803
Singapore	<b>2,642,651</b>	1,623,654	<b>12,097,821</b>	10,651,913
Others	<b>521,796</b>	422,496	<b>564,526</b>	555,388
Total	<b>28,712,264</b>	34,833,134	<b>47,834,408</b>	56,401,104

## 33 ACQUISITION OF SUBSIDIARIES

### Acquisition of subsidiaries in 2021

- On March 4, 2021, the Group acquired 50% equity interest in Shanghai Youyou Dongdao Real Estate Co., Ltd. for a cash consideration of RMB25 million.
- On March 24, 2021, the Group acquired an additional 36.3% equity interest in Wuhan Tianxiang Real Estate Co., Ltd. ("Wuhan Tianxiang") by way of an increase in the registered capital of Wuhan Tianxiang. Following the transaction, the Group's equity interest in Wuhan Tianxiang has increased from 13.7% to 50% and the Group has obtained control over Wuhan Tianxiang pursuant to the co-operation agreement of Wuhan Tianxiang. Accordingly, Wuhan Tianxiang became a 50%-owned subsidiary of the Group. The details on this change of control from a joint venture to a subsidiary is presented in Note 35.
- As a result of change of articles of association of Nantong Hechuang Real Estate Co., Ltd. ("Nantong Hechuang") on May 11, 2021, the Group obtained control over Nantong Hechuang, an entity previously held as a 51%-owned joint venture through its 60%-owned subsidiary, Yanlord Land (Nantong) Co., Ltd.. Following the change, Nantong Hechuang became a 30.6%-owned subsidiary of the Group. The details on this change of control from a joint venture to a subsidiary is presented in Note 35.

# NOTES TO FINANCIAL STATEMENTS

December 31, 2022

## 33 ACQUISITION OF SUBSIDIARIES (Cont'd)

### Acquisition of subsidiaries in 2022

- (a) On February 24, 2022, the Group acquired an additional 1% equity interest in Hangzhou Renyuan Property Development Co., Ltd. ("Hangzhou Renyuan"), which in turn owned 100% equity interest in Hangzhou Renxiang Property Development Co., Ltd. ("Hangzhou Renxiang"), for a cash consideration of approximately RMB0.5 million. Following the transaction, the Group's equity interests in both Hangzhou Renyuan and Hangzhou Renxiang have increased from 50% to 51% and Hangzhou Renyuan and Hangzhou Renxiang became 51%-owned subsidiaries of the Group. The details on this change of control from joint ventures to subsidiaries is presented in Note 35.
- (b) On May 9, 2022, the Group acquired 60% equity interest in Dongguan Jiaji Industrial Investment Co., Ltd. ("Dongguan Jiaji") by way of an increase in the registered capital of Dongguan Jiaji for an amount of RMB75 million.
- (c) As a result of the change in co-operation agreement of Yanlord Eco Island Investments Pte. Ltd. ("Yanlord Eco Island") on April 30, 2022, the Group obtained control over Yanlord Eco Island, an entity previously held as a 51%-owned joint venture. Following the change, Yanlord Eco Island as well as its 100%-owned subsidiary, Nanjing Yanlord Jiangdao Real Estate Co., Ltd. ("Nanjing Jiangdao"), became 51%-owned subsidiaries of the Group. The details on this change of control from joint ventures to subsidiaries is presented in Note 35.
- (d) On July 6, 2022, the Group acquired an additional 92% equity interest in Suzhou Renzhuo Real Estate Co., Ltd. ("Suzhou Renzhuo") for a cash consideration of approximately RMB80 million. Following the transaction, the Group's equity interest in Suzhou Renzhuo has increased from 8% to 100% and Suzhou Renzhuo became 100%-owned subsidiary of the Group. The details on this change of control from a joint venture to a subsidiary is presented in Note 35.
- (e) On July 21, 2022, the Group acquired an additional 95% equity interest in Shanghai Rensheng Real Estate Co., Ltd. ("Shanghai Rensheng"), which owned 51% equity interests in Shanghai Yanlord Investment Management Co., Ltd. ("Shanghai Investment") that in turn owned 100% equity interest in Shanghai Zhongting Property Development Co., Ltd. ("Shanghai Zhongting"), for a cash consideration of approximately RMB259 million. Following the transaction, the Group's equity interest(s) in Shanghai Rensheng has increased from 5% to 100% and in both Shanghai Investment and Shanghai Zhongting have increased from 51.55% to 100%. Shanghai Rensheng, Shanghai Investment and Shanghai Zhongting became 100%-owned subsidiaries of the Group. The details on this change of control from joint ventures to subsidiaries is presented in Note 35.
- (f) On August 3, 2022, the Group acquired an additional 70% equity interest in Suzhou Renjia Real Estate Co., Ltd ("Suzhou Renjia"), which in turn owned 51% equity interest in Wuxi Renxin Real Estate Co., Ltd. ("Wuxi Renxin"), for a cash consideration of RMB0.7 million. Following the transaction, the Group's equity interests in Suzhou Renjia and Wuxi Renxin have increased from 30% to 100% and from 15.3% to 51% respectively; and Suzhou Renjia and Wuxi Renxin became 100%-owned and 51%-owned subsidiaries of the Group respectively. The details on this change of control from joint ventures to subsidiaries is presented in Note 35.
- (g) On August 31, 2022, the Group acquired an additional 23.46% equity interest in Taicang Renhua Property Development Co., Ltd. ("Taicang Renhua"), which in turn owned 100% equity interest in Shanghai Qiaopu Property Development Co., Ltd. ("Shanghai Qiaopu"), for a cash consideration of approximately RMB75 million. Following the transaction, the Group's equity interests in both Taicang Renhua and Shanghai Qiaopu have increased from 27.54% to 51%; and Taicang Renhua and Shanghai Qiaopu became 51%-owned subsidiaries of the Group. The details on this change of control from joint ventures to subsidiaries is presented in Note 35.
- (h) As a result of the change in articles of association of Xingheng (Shenzhen) Investment Management Co., Ltd. ("Xingheng Investment") on October 30, 2022, the Group obtained control over Xingheng Investment, an entity previously held as a 70%-owned joint venture. Following the change, Xingheng Investment as well as its 100%-owned subsidiary, Haikou Yanlord Property Co., Ltd. ("Haikou Property"), became 70%-owned subsidiaries of the Group. The details on this change of control from joint ventures to subsidiaries is presented in Note 35.



# NOTES TO FINANCIAL STATEMENTS

December 31, 2022

## 33 ACQUISITION OF SUBSIDIARIES (Cont'd)

### *Acquisition of subsidiaries in 2022 (Cont'd)*

The acquisition of Dongguan Jiaji was accounted for as acquisition of assets and were out of scope of SFRS(I) 3 *Business Combinations*. The Group's intention was to acquire the land and vacant properties held by Dongguan Jiaji and the Group did not take control over any management or operational process from the vendors as it intends to develop and sell the properties. The acquisitions of the rest of entities for which the Group acquired during the reporting period were accounted for as acquisition of business under SFRS(I) 3.

Had the business combination during the reporting period been effected as at January 1, 2022, the Group's revenue would be RMB28.721 billion (2021 : RMB34.832 billion), and the profit for the year would be RMB2.579 billion (2021 : RMB4.045 billion).

The following summarises the recognised amounts of assets acquired and liabilities assumed at the acquisition dates:

	GROUP	
	2022 RMB'000	2021 RMB'000
Non-current assets	<b>2,103,072</b>	1,509
Current assets	<b>88,103,894</b>	9,385,774
Non-current liabilities	<b>(4,095,931)</b>	(957,524)
Current liabilities	<b>(83,186,606)</b>	(8,033,234)
Net assets at date of acquisition	<b>2,924,429</b>	396,525
Non-controlling interests	<b>(2,189,791)</b>	(259,810)
Net assets acquired	<b>734,638</b>	136,715
Gain on bargain purchase and gain on remeasurement of retained interests in joint ventures	<b>(243,921)</b>	(111,715)
Total consideration	<b>490,717</b>	25,000
Cash consideration paid in previous year	<b>(409,199)</b>	-
Cash acquired	<b>(4,753,342)</b>	(690,405)
Net cash inflow arising from acquisition of subsidiaries	<b>(4,671,824)</b>	(665,405)

# NOTES TO FINANCIAL STATEMENTS

December 31, 2022

## 34 CHANGE OF CONTROL FROM SUBSIDIARIES TO JOINT VENTURES

### *Change of control from subsidiaries to joint ventures in 2021*

- (a) The Group relinquished control over Suzhou Renzhuo with effect from January 7, 2021, as a result of disposal of 92% equity interest in Suzhou Renzhuo. Accordingly, Suzhou Renzhuo ceased to be a subsidiary of the Group and is classified as a 8%-owned joint venture.
- (b) The Group relinquished control over Suzhou Renjia and its subsidiary, Wuxi Renxin with effect from August 6, 2021, as a result of disposal of 70% equity interest in Suzhou Renjia. Accordingly, Suzhou Renjia and Wuxi Renxin ceased to be subsidiaries of the Group and are classified as 30%-owned and 15.3%-owned joint ventures respectively.

The following summarises the details of the change of control:

	<b>GROUP 2021 RMB'000</b>
Non-current assets	3,341,079
Current assets	29,959
Current liabilities	(3,263,699)
Net assets at date of change of control	107,339
Non-controlling interests	(97,377)
Net assets derecognised	9,962
<b>Gain on change of control</b>	
Consideration received	9,900
Net asset derecognised	(9,962)
Fair value of retained interest	1,100
	1,038
<b>Net cash outflow arising from change of control</b>	
Consideration received	9,900
Cash and cash equivalents derecognised	(29,071)
	(19,171)

## 35 CHANGE OF CONTROL FROM JOINT VENTURES TO SUBSIDIARIES

### *Change of control from joint ventures to subsidiaries in 2021*

- (a) The Group acquired an additional 36.3% equity interest in Wuhan Tianxiang by way of an increase in the registered capital of Wuhan Tianxiang. Following the transaction, the Group's equity interest in Wuhan Tianxiang has increased from 13.7% to 50% and the Group has obtained control over Wuhan Tianxiang pursuant to the co-operation agreement of Wuhan Tianxiang. Consequently, the Group reclassified Wuhan Tianxiang from a joint venture to a subsidiary.
- (b) Following the change in articles of association of Nantong Hechuang, all matters, other than protective rights such as changing of articles of association, capital injection and reduction of Nantong Hechuang and merger and separation, only require a simple majority vote from the shareholders. Consequently, the Group reclassified Nantong Hechuang as a subsidiary from a joint venture.

# NOTES TO FINANCIAL STATEMENTS

December 31, 2022

## 35 CHANGE OF CONTROL FROM JOINT VENTURES TO SUBSIDIARIES (Cont'd)

### Change of control from joint ventures to subsidiaries in 2022

- (a) The Group acquired an additional 1% equity interest in Hangzhou Renyuan, which in turn owned 100% equity interest in Hangzhou Renxiang. Following the transaction, the Group's equity interests in both Hangzhou Renyuan and Hangzhou Renxiang have increased from 50% to 51%. Consequently, the Group reclassified Hangzhou Renyuan and Hangzhou Renxiang from joint ventures to subsidiaries.
- (b) As a result of the change in co-operation agreement of Yanlord Eco Island, the Group obtained control over Yanlord Eco Island, an entity previously held as a 51%-owned joint venture. Following the change in co-operation agreement of Yanlord Eco Island, all matters, other than protective rights such as changing of articles of association, capital injection and reduction of Yanlord Eco Island and merger and separation, only require a simple majority vote from the shareholders. Consequently, the Group reclassified Yanlord Eco Island and its 100%-owned subsidiary, Nanjing Jiangdao, as subsidiaries from joint ventures.
- (c) The Group acquired an additional 92% equity interest in Suzhou Renzhuo. Following the transaction, the Group's equity interest in Suzhou Renzhuo has increased from 8% to 100%. Consequently, the Group reclassified Suzhou Renzhuo from a joint venture to a subsidiary.
- (d) The Group acquired an additional 95% equity interest in Shanghai Rensheng, which owned 51% equity interests in Shanghai Investment that in turn owned 100% equity interest in Shanghai Zhongting. Following the transaction, the Group's equity interest(s) in Shanghai Rensheng has increased from 5% to 100% and in both Shanghai Investment and Shanghai Zhongting have increased from 51.55% to 100%. Consequently, the Group reclassified Shanghai Rensheng, Shanghai Investment and Shanghai Zhongting as subsidiaries from joint ventures.
- (e) The Group acquired an additional 70% equity interest in Suzhou Renjia, which in turn owned 51% equity interest in Wuxi Renxin. Following the transaction, the Group's equity interests in Suzhou Renjia and Wuxi Renxin have increased from 30% to 100% and from 15.3% to 51% respectively. Consequently, the Group reclassified Suzhou Renjia and Wuxi Renxin from joint ventures to subsidiaries.
- (f) The Group acquired an additional 23.46% equity interest in Taicang Renhua, which in turn owned 100% equity interest in Shanghai Qiaopu. Following the transaction, the Group's equity interests in both Taicang Renhua and Shanghai Qiaopu have increased from 27.54% to 51%. Consequently, the Group reclassified Taicang Renhua and Shanghai Qiaopu from joint ventures to subsidiaries.
- (g) As a result of the change in articles of association of Xingheng Investment, the Group obtained control over Xingheng Investment, an entity previously held as a 70%-owned joint venture. Following the change in articles of association of Xingheng Investment, all matters, other than protective rights such as changing of articles of association, capital injection and reduction of Xingheng Investment and merger and separation, only require a simple majority vote from the shareholders. Consequently, the Group reclassified Xingheng Investment as well as its 100%-owned subsidiary, Haikou Property, from joint ventures to subsidiaries.

# NOTES TO FINANCIAL STATEMENTS

December 31, 2022

## 35 CHANGE OF CONTROL FROM JOINT VENTURES TO SUBSIDIARIES (Cont'd)

The following summarises the details of the change of control:

	GROUP	
	2022 RMB'000	2021 RMB'000
Non-current assets	<b>2,095,378</b>	1,464
Current assets	<b>87,753,321</b>	8,486,438
Non-current liabilities	<b>(4,095,931)</b>	(957,524)
Current liabilities	<b>(82,953,339)</b>	(7,183,853)
Net assets at date of change of control	<b>2,799,429</b>	346,525
Non-controlling interests	<b>(2,139,791)</b>	(234,810)
Net assets recognised	<b>659,638</b>	111,715
<b>Gain on change of control</b>		
Consideration paid for additional interest	<b>415,717</b>	-
Fair value of acquired interest	<b>(659,638)</b>	(111,715)
	<b>(243,921)</b>	(111,715)

The assets acquired and liabilities assumed as at the date of change of control shown above are included in the summary table as presented under Note 33.

## 36 OPERATING LEASE ARRANGEMENTS

The Group as lessor

Operating leases, in which the Group is the lessor, relate to investment properties and certain other properties owned by the Group with lease terms of less than 1 year to 20 years. The lessee does not have an option to purchase the property at the expiry of the lease period.

Maturity analysis of operating lease payments:

	GROUP	
	2022 RMB'000	2021 RMB'000
Year 1	<b>873,797</b>	812,472
Year 2	<b>672,853</b>	571,659
Year 3	<b>483,948</b>	366,195
Year 4	<b>318,199</b>	224,539
Year 5	<b>338,396</b>	159,870
Year 6 and onwards	<b>829,034</b>	886,018
	<b>3,516,227</b>	3,020,753



# NOTES TO FINANCIAL STATEMENTS

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## 37 CAPITAL EXPENDITURE COMMITMENTS

Amounts committed for future capital expenditure but not provided for in the financial statements:

	GROUP	
	2022 RMB'000	2021 RMB'000
Investment properties	<b>305,432</b>	362,499
Acquisition of land use rights	<b>95,082</b>	746,441
Investments in joint ventures	<b>277,471</b>	19,366
Others	<b>6,614</b>	43,008
	<b>684,599</b>	1,171,314

## 38 CONTINGENCIES AND GUARANTEES

As at December 31, 2022, the Group has provided guarantees of approximately RMB18.605 billion (2021 : RMB14.629 billion) to banks for the benefit of its customers in respect of mortgage loans provided by the banks to these customers for the purchase of the Group's development properties. Should such guarantees be called upon, there would be an outflow of cash (previously collected by the Group) from the Group to the banks to discharge the obligations. Management has made enquiries with the banks and considered the profile of customers who bought the Group's properties and concluded that the likelihood of these guarantees being called upon is low. These guarantees provided by the Group to the banks would be released upon receiving the building ownership certificate of the respective properties by the banks from the customers as security for the mortgage loan granted.

As described in Note 28, the additional LAT tax exposure in the event of future re-assessment by the tax authorities has been estimated by management to be approximately RMB597 million (2021 : RMB597 million) (before effects of deductibility for income tax assessment purpose and adjustment for non-controlling interests) as at December 31, 2022.

As at December 31, 2021, a subsidiary of the Company had provided a joint guarantee to a bank in respect of a loan facility granted to a joint venture amounting to RMB282 million for a remaining term of less than one year up to March 19, 2022. The subsidiary's contingent liability as at December 31, 2021 for this joint guarantee was limited to an amount of RMB358 million. During the year, the loan and interest payable were fully repaid and the loan facility was cancelled accordingly.

As at December 31, 2021, a subsidiary of the Company had provided a joint guarantee to banks in respect of a loan facility granted to a joint venture amounting to RMB108 million for a remaining term of less than one year up to August 20, 2022. The subsidiary's contingent liability as at December 31, 2021 for this joint guarantee was limited to an amount of RMB80 million. During the year, the loan and interest payable were fully repaid and the loan facility was cancelled accordingly.

As at December 31, 2021, a subsidiary of the Company had provided a joint guarantee to banks in respect of a loan facility granted to a joint venture amounting to RMB161 million for a remaining term of less than three years up to July 22, 2024. The subsidiary's contingent liability as at December 31, 2021 for this joint guarantee was limited to an amount of RMB140 million. During the year, the loan and interest payable were fully repaid and the loan facility was cancelled accordingly.

As at December 31, 2021, a subsidiary of the Company had provided a joint guarantee to a bank in respect of a loan facility granted to an associate amounting to RMB786 million for a remaining term of less than one year up to December 26, 2022. The subsidiary's contingent liability as at December 31, 2021 for this joint guarantee was limited to an amount of RMB766 million. During the year, the loan and interest payable were fully repaid and the loan facility was cancelled accordingly.

# NOTES TO FINANCIAL STATEMENTS

December 31, 2022

## 38 CONTINGENCIES AND GUARANTEES (Cont'd)

As at December 31, 2021, a subsidiary of the Company had provided a joint guarantee to a bank in respect of a loan facility granted to an associate amounting to RMB201 million for a remaining term of less than one year up to March 12, 2022. The subsidiary's contingent liability as at December 31, 2021 for this joint guarantee was limited to an amount of RMB40 million. During the year, the loan and interest payable were fully repaid and the loan facility was cancelled accordingly.

As at December 31, 2022, a subsidiary of the Company has provided a joint guarantee to a bank in respect of a loan facility granted to a joint venture amounting to RMB835 million (2021 : granted to an associate amounting to RMB488 million) for a remaining term of less than one year up to June 15, 2023. The subsidiary's contingent liability as at December 31, 2022 for this joint guarantee is limited to an amount of RMB808 million (2021 : RMB291 million). During the year, the Group acquired an additional 35% equity interest in this entity and the Group reclassified this entity from an 49%-owned associate to a 84%-owned joint venture.

As at December 31, 2022, two subsidiaries of the Company have provided a joint guarantee to a bank in respect of a loan facility granted to a joint venture amounting to RMB90 million (2021 : RMB218 million) for a remaining term of less than thirteen years up to April 20, 2035. The subsidiaries' contingent liability as at December 31, 2022 for this joint guarantee is limited to an amount of RMB28 million (2021 : RMB28 million).

As at December 31, 2022, a subsidiary of the Company has provided joint guarantees to banks in respect of loan facilities granted to a joint venture amounting to RMB315 million (2021: RMB Nil) for a remaining term of less than five years up to March 14, 2027. The subsidiary's contingent liability as at December 31, 2022 for these joint guarantees is limited to an amount of RMB292 million (2021: RMB Nil).

As at December 31, 2022, a subsidiary of the Company has provided a joint guarantee to a bank in respect of a loan facility granted to a joint venture amounting to RMB26 million (2021 : RMB Nil) for a remaining term of less than one year up to June 30, 2023. The subsidiary's contingent liability as at December 31, 2022 for this joint guarantee is limited to an amount of RMB25 million (2021 : RMB Nil).

As at December 31, 2022, a subsidiary of the Company has provided a joint guarantee to a bank in respect of a loan facility granted to an associate amounting to RMB400 million (2021 : RMB Nil) for a remaining term of less than nineteen years up to December 20, 2041. The subsidiary's contingent liability as at December 31, 2022 for this joint guarantee is limited to an amount of RMB350 million (2021 : RMB Nil).

As at December 31, 2022, a subsidiary of the Company has provided a joint guarantee to a bank in respect of a loan facility granted to an associate amounting to RMB350 million (2021 : RMB Nil) for a remaining term of less than five years up to January 19, 2027. The subsidiary's contingent liability as at December 31, 2022 for this joint guarantee is limited to an amount of RMB314 million (2021 : RMB Nil).

Management is of the view that the fair value of the financial guarantees provided by the Group and the Company are not significant.

# INTERESTED PERSON TRANSACTION

Financial year ended December 31, 2022

Pursuant to Rule 907 of the Listing Manual of Singapore Exchange Securities Trading Limited (“Listing Manual”), the aggregate value of relevant interested person transaction entered into during the financial year under review is as follows:

Name of interested person	Nature of relationship	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than S\$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than S\$100,000)
Yanlord Holdings Pte. Ltd.	A controlling shareholder of Yanlord Land Group Limited (“Company”), and an associate of Mr. Zhong Sheng Jian, Mr. Zhong Ming and Mr. Zhong Iek Ka	RMB8,354,647	Not applicable
<b>Total</b>		<b>RMB8,354,647</b>	<b>Not applicable</b>

**Notes:**

- <sup>1</sup> Mr. Zhong Sheng Jian is a director, the Chairman and Chief Executive Officer and a controlling shareholder of the Company, and Mr. Zhong Ming and Mr. Zhong Iek Ka, both directors of the Company, are immediate family of Mr. Zhong Sheng Jian.
- <sup>2</sup> The Company has not obtained a general mandate under Rule 920 of the Listing Manual from its shareholders.
- <sup>3</sup> In this page, “associate”, “controlling shareholder”, “immediate family” and “interested person transaction” shall have the respective meanings ascribed to them in the Listing Manual.

There was no material contract entered into by the Company and its subsidiaries involving the interests of the chief executive officer or any director or controlling shareholder of the Company, either still subsisting at the end of the financial year under review or if not then subsisting, entered into since the end of the previous financial year.

## SHAREHOLDING STATISTICS

As at March 6, 2023

Class of shares	:	Ordinary shares
Number of issued and paid-up shares (including treasury shares)	:	1,948,736,476
Issued and paid-up share capital	:	S\$1,482,552,080
Voting rights	:	One vote per ordinary share (Yanlord Land Group Limited ("Company") cannot exercise any voting rights in respect of ordinary shares held by it as treasury shares.)
Number of treasury shares and percentage of such treasury shares against the total number of issued ordinary shares (excluding treasury shares)	:	17,201,100 (approximately 0.89%)
Number of subsidiary holdings <sup>1</sup> and percentage of such subsidiary holdings against the total number of issued ordinary shares (excluding treasury shares)	:	Nil

### DISTRIBUTION OF SHAREHOLDINGS

Size of Shareholdings	No. of Shareholders	Percentage (%)	No. of Shares	Percentage (%) <sup>2</sup>
1 - 99	12	0.19	122	0.00
100 - 1,000	483	7.55	434,509	0.02
1,001 - 10,000	3,877	60.59	22,243,883	1.15
10,001 - 1,000,000	1,998	31.22	104,672,951	5.42
1,000,001 and above	29	0.45	1,804,183,911	93.41
<b>TOTAL</b>	<b>6,399</b>	<b>100.00</b>	<b>1,931,535,376</b>	<b>100.00</b>

Based on the information available to the Company as at March 6, 2023, approximately 26% of the total number of issued ordinary shares (excluding treasury shares) of the Company is held by the public and accordingly, Rule 723 of the Listing Manual of Singapore Exchange Securities Trading Limited ("Listing Manual") has been complied with.



# SHAREHOLDING STATISTICS

As at March 6, 2023

## TWENTY LARGEST SHAREHOLDERS

No.	Name	No. of Shares	Percentage (%) <sup>2</sup>
1	YANLORD HOLDINGS PTE. LTD.	1,278,390,000	66.19
2	DBS NOMINEES (PRIVATE) LIMITED	119,926,794	6.21
3	CITIBANK NOMINEES SINGAPORE PTE LTD	82,664,226	4.28
4	UOB KAY HIAN PRIVATE LIMITED	73,299,100	3.79
5	RAFFLES NOMINEES (PTE.) LIMITED	69,692,800	3.61
6	DBSN SERVICES PTE. LTD.	38,065,545	1.97
7	MORGAN STANLEY ASIA (SINGAPORE) SECURITIES PTE LTD	31,026,884	1.61
8	HSBC (SINGAPORE) NOMINEES PTE LTD	22,879,050	1.18
9	BNP PARIBAS NOMINEES SINGAPORE PTE. LTD.	22,207,900	1.15
10	DB NOMINEES (SINGAPORE) PTE LTD	13,665,880	0.71
11	PHILLIP SECURITIES PTE LTD	6,270,400	0.32
12	OCBC SECURITIES PRIVATE LIMITED	5,922,700	0.31
13	UNITED OVERSEAS BANK NOMINEES (PRIVATE) LIMITED	5,713,850	0.30
14	KHENG LEONG COMPANY (PRIVATE) LIMITED	4,416,700	0.23
15	ONG ENG LOKE	3,700,000	0.19
16	WONG GHAN OR WONG SHI HAO	3,067,800	0.16
17	ZHONG SIMIN	2,663,900	0.14
18	IFAST FINANCIAL PTE. LTD.	2,624,600	0.14
19	MAYBANK SECURITIES PTE. LTD.	2,530,814	0.13
20	OCBC NOMINEES SINGAPORE PRIVATE LIMITED	2,288,811	0.12
<b>TOTAL</b>		<b>1,791,017,754</b>	<b>92.73</b>

## SUBSTANTIAL SHAREHOLDERS

(as stated in the Register of Substantial Shareholders)

Name	Direct Interest		Deemed Interest		Total Interest	
	No. of Shares	Percentage (%) <sup>2</sup>	No. of Shares	Percentage (%) <sup>2</sup>	No. of Shares	Percentage (%) <sup>2</sup>
YANLORD HOLDINGS PTE. LTD.	1,278,390,000	66.19	-	-	1,278,390,000	66.19
ZHONG SHENG JIAN <sup>3</sup>	73,171,500	3.79	1,308,900,500	67.76	1,382,072,000	71.55

### Notes:

- <sup>1</sup> "Subsidiary holdings" shall have the meaning ascribed to it under the Listing Manual.
- <sup>2</sup> Percentages are calculated based on the total number of issued ordinary shares (excluding treasury shares) of the Company as at March 6, 2023 and rounded to the nearest two (2) decimal places.
- <sup>3</sup> By virtue of Section 7 of the Companies Act 1967 of Singapore, Mr. Zhong Sheng Jian is deemed to have an interest in 1,308,900,500 ordinary shares of the Company, comprising 1,278,390,000 ordinary shares held by Yanlord Holdings Pte. Ltd. and 30,510,500 ordinary shares held by Lian Pu Pte. Limited.

# CORPORATE GOVERNANCE

## CORPORATE GOVERNANCE STRUCTURE



# CORPORATE GOVERNANCE

**Yanlord Land Group Limited** (“Company” and together with its subsidiaries, “Group”) is committed to achieving high standards of corporate governance to support long-term shareholder value, whilst taking into account the interests of other stakeholders. In the latest 2021 edition of the ASEAN Corporate Governance Scorecard Award, the Company achieved the requisite scores and was placed in the remarkable category of “ASEAN Asset Class”. The board of directors of the Company (“Board”) and management of the Group (“Management”) believe that good corporate governance is key to the integrity of the Group and essential to the sustainability of the Group’s business and performance. In line with Rule 710 of the Listing Manual of Singapore Exchange Securities Trading Limited (“SGX-ST”) (“Listing Manual”), this statement outlines the Company’s corporate governance practices with specific reference to the principles and provisions set out in the Code of Corporate Governance issued by the Monetary Authority of Singapore dated August 6, 2018 (“Code”) and the complementary practice guidance (“Practice Guidance”), as last amended on January 11, 2023. The Company has complied in all material respects with principles and provisions in the Code and variations in any specific areas of the provisions are stated and accordingly explained in this statement.

## BOARD MATTERS

### Principle 1: The Board’s Conduct of Affairs

*The Company is headed by an effective Board which is collectively responsible and works with Management for the long-term success of the Company.*

### Roles and Principal Functions of the Board

The Board has the primary responsibility to foster the success of the Company so as to deliver long-term sustainable value, and to engage stakeholders based on the principles of sustainability and sound governance. It oversees the business affairs and dictates the strategic direction and management of the Group through reviews of, among others, the financial performance, risk management system and internal controls of the Group as well as succession plans and remuneration framework of directors and key management personnel, whilst considering sustainability as part of the Group’s strategic formulation. The Board is also responsible for and plays a key role in setting the Company’s corporate governance standards and policies, whilst ensuring compliance with applicable legislative and regulatory requirements. The Group has put in place a code of business conduct (as described in the section entitled “Core Value” of this statement and contents of which is being made available on the Company’s website at [yanlordland.com/corporate-governance/](http://yanlordland.com/corporate-governance/)), which aims to set an appropriate tone-from-the-top and desired organisational culture as well as underscores its importance to the Group particularly in ensuring that the core value and ethical standards are observed. The Board and Management as well as employees are committed to conducting business and affairs of the Group with integrity and honesty. All directors, collectively and individually, discharge their duties and responsibilities objectively at all times as fiduciaries of the Company and act honestly with diligence, and in the best interests of the Company. The Board provides an overall guidance to Management, led by the Chairman and Chief Executive Officer (“Chairman and CEO”). The Board understands its accountability to the shareholders of the Company (“Shareholders”) for the Group’s performance and sustainable development, and Management understands its role and is accountable to the Board, where the Board holds Management accountable for performance of the Group and ensures its obligations to the Shareholders and other stakeholders are met.

The principal functions of the Board include, among others:

- (a) providing entrepreneurial leadership, setting corporate and strategic objectives with appropriate focus on value creation and innovation, and monitoring progress (including to ensure that the necessary resources are in place) towards achieving these objectives;
- (b) overseeing and ensuring the adequacy and effectiveness of the Group’s risk management system and internal controls (including financial, operational, compliance and information technology controls) framework and standards, so as to achieve an appropriate balance between risks and the Group’s performance as well as to safeguard the Shareholders’ interests and the Group’s assets;
- (c) ensuring the appropriateness of the monitoring and management of the Group’s sustainability related issues and the Company’s approach to sustainability reporting; and
- (d) constructively challenging the Management and supervising the overall management and performance of the business and affairs of the Group.

## CORPORATE GOVERNANCE

The Board has no dissenting view on the Chairman's Statement, which provides a balanced and readable summary of the Group's performance and prospect, as set out on pages 16 to 21 of this annual report for the financial year ended December 31, 2022 ("FY 2022") ("Annual Report 2022").

### Conflict of Interest

Directors avoid situations in which their own personal or business interests directly or indirectly conflict, or appear to conflict, with the interests of the Group, and comply with relevant disclosure obligations. In addition, the Company's Constitution requires directors to abstain from voting in respect of any contract or proposed contract or arrangement or any other proposal whatsoever in which they have any personal material interest, directly or indirectly. In the event that directors have interest in a matter under consideration by the Board and/or any of the Board's committees ("Board Committees"), directors declare nature of such interest and abstain from voting on the matter in issue, with their declaration of interest and abstention duly recorded in the minutes of meeting or resolutions of the Board and/or the Board Committees. Interested person transactions, if any, are reported to the Audit Committee ("AC") and the Board to ensure that such transactions are conducted on arm's length basis and on normal commercial terms which are not prejudicial to the interests of the Company and its minority Shareholders. In addition to an announcement and/or disclosure of any interested person transactions that are required to be made under the requirements of the Listing Manual, the Company will also obtain Shareholders' approval, if so required, in accordance with the requirements set out in the Listing Manual. The Group currently does not have a general mandate from Shareholders for recurrent interested person transactions of a revenue or trading nature or those necessary for its day-to-day operations pursuant to Rule 920 of the Listing Manual. Disclosure of directors' interest in transactions in accordance with the Companies Act 1967 of Singapore ("Act") is an agenda item of Board meetings, and such disclosures are circulated and tabled for the Board's information.

### Training and Development for the Board

A director, upon appointment, will be provided with a formal letter setting out his/her general duties and obligations as a director (including role as an executive, non-executive and/or independent director) and relevant materials or information on the Group's business and structure, core values, governance practices, sustainability and corporate social initiatives as well as the Board and Board Committees including the Company's Constitution, terms of reference of various Board Committees together with corporate policies are enclosing therewith to facilitate the new director's understanding and to enable such director to assimilate into his/her new role. Where a newly appointed director has no prior experience as a director of an issuer listed on the Singapore Exchange, such director will be required to undergo training on the roles and responsibilities of a director of a listed issuer as prescribed by the SGX-ST, unless the Nominating Committee ("NC") determines that such training is not required because the director has other relevant and comparable experience, in which case the basis of its assessment will be disclosed in the announcement of the appointment of such director. Newly appointed director is also required to sign the prescribed undertaking to use his/her best endeavours to comply with the requirements of the Listing Manual. No new director has been appointed during the financial year under review.

Directors have opportunities to visit the development sites of the Group and to meet with the local management team as and when necessary. The directors have also been provided with further explanation and information on any aspect of the Group's operation or business issues from Management at Board meetings or as and when so requested by the directors and receive relevant briefings and updates, particularly on relevant new laws and regulations including any key changes made to any financial reporting standards, and changing commercial risks, from time to time. To ensure directors can fulfil their obligations and to continually improve the performance of the Board, directors are encouraged to undergo training sessions, conferences, workshops and/or seminars conducted by external organisations and the Company will facilitate the registration process and be responsible for funding any such training or professional development programmes, if required. Directors are kept informed by the Company Secretary from time to time of the availability of appropriate training sessions, conferences, workshops and seminars including those conducted by Singapore Institute of Directors ("SID") and other professional bodies. In FY 2022, the Company has arranged for Deloitte & Touche LLP, Singapore ("Deloitte Singapore") to present to the directors on issues relating to environmental, social and governance and for directors to attend 'ACRA-SGX-SID Audit Committee Seminar 2022: Financial Oversight, Accountability and Reporting - Moving the Needle' jointly organised by the Accounting and Corporate Regulatory Authority ("ACRA"), SGX-ST and SID; 'Board of Directors Survey 2022' organised by SID; and 'Board Symposium' organised by Deloitte Singapore, and where applicable, the relevant fees are borne by the Company. During the course of FY 2022, all directors have also undergone the required training on sustainability matters as prescribed by the



## CORPORATE GOVERNANCE

SGX-ST pursuant to Rule 720(7) of the Listing Manual, namely, 'Listed Entity Director Programme - Environmental, Social and Governance Essentials (Core) Module' organised by SID and 'Sustainability E-Training for Directors' provided by the Institute of Singapore Chartered Accountants in partnership with SAC Capital Private Limited. The Company has also separately provided video training relating to anti-corruption to the directors. The NC, having regard, *inter alia*, the skillset, expertise and experience of directors as well as the latest developments or requirements of applicable laws and regulations, assesses and considers the need for training and professional development programmes for directors in any specific area and recommends the same to the Board for consideration, if required.

### Matters Requiring Board Approval

Key matters which are specifically reserved for approval by the Board include the decisions over strategic direction, plans and performance objectives of the Group as well as significant corporate matters related to the Group, including matters relating to financing, investments and divestments, major undertakings, annual budget, financial results, dividend payout, issuances of securities, size and composition of the Board and/or the Board Committees, succession plans, internal controls and risk management, sustainability and all matters or transactions requiring the Board's deliberation or decision such as interested persons transactions, share buyback and etc. The matters which are specifically decided on and approved by the Board are duly recorded and communicated to the Management. Financial authorisation and approval limits are established for the day-to-day transactions to facilitate operational efficiency.

### Delegation of Authority to Board Committees

To facilitate effective management, certain functions of the Board have been delegated, without abdicating the responsibilities of the Board, to various Board Committees namely, AC, NC, Remuneration Committee ("RC") and Risk Management and Sustainability Committee ("RMSC"). Each of the Board Committees is guided by its own written terms of reference, and reviews and makes decisions on matters within such terms of reference and reports to the Board with its decisions or recommendations at least on an annual basis. The terms of reference which set out, among others, compositions, roles, authorities, duties and responsibilities of such Board Committee, are reviewed and approved by the respective Board Committees and the Board from time to time. The structure, size and composition of the Board Committees are evaluated annually or as and when necessary. Appointments to Board Committees are recommended by NC and subject to the approval of the Board. The composition of each of the Board Committees is set out in their respective sections of this statement.

### Meetings of the Board and Board Committees as well as General Meetings of Shareholders

To facilitate meaningful participation, the schedule of meetings of the Board and Board Committees, as well as annual general meeting, for the next calendar year is planned well in advance in consultation with the directors. At least two scheduled Board meetings are held every year at regular intervals, in any event not later than 45 days after the first half year financial period and not later than 60 days after the full year financial period, mainly for the purpose of reviewing the performance and business management of the Group. *Ad hoc* meetings of the Board and Board Committees may be convened, if warranted by circumstances. Directors are expected to attend all meetings of the Board and Board Committees on which they are seated as well as general meetings of Shareholders, except if any unusual circumstances make attendance impractical. The Company's Constitution and each Board Committee's terms of reference are sufficiently flexible to allow a director and committee member to participate at a meeting via telephone or video conferencing, audio visual, or other similar communications equipment by means of which all persons participating in the meeting can hear each other. Agenda of the meetings of Board and Board Committees are prepared in consultation with and incorporate inputs from Management, as appropriate, and reviewed and approved by the Chairman of the Board and the chairman of that Board Committee, respectively. Any director who is unable to attend the meeting(s) of the Board or of the Board Committees may raise his/her views on the agenda to the Board or the Board Committees separately. The discussions on key deliberations and decisions or recommendations made at meetings of the Board and Board Committees are duly recorded in the minutes of respective meetings. Minutes of meetings of the Board Committees which record discussions and decisions or recommendations made during these meetings are tabled to the Board for information. The Board and Board Committees may also make decisions by way of circulating resolutions in lieu of a meeting. In the course of the financial year under review, no *ad hoc* meetings were held. Information relating to the relevant arrangement on general meetings of Shareholders are set out in the section entitled "Principle 11: Shareholder Rights and Conduct of General Meetings" of this statement. Directors achieved full attendance at the meetings of the Board and Board Committees as well as annual general meeting held in FY 2022.

## CORPORATE GOVERNANCE

The number of meetings held and attended by each of the members of the Board and Board Committees during FY 2022 are set out below:

Meetings	Number of Meeting(s) Attended / Number of Meeting(s) Held During FY 2022					
	Board Meeting	AC Meeting	RMSC Meeting	NC Meeting	RC Meeting	Annual General Meeting
Directors						
Zhong Sheng Jian	2/2	NA	1/1	1/1	NA	1/1
Zhong Siliang	2/2	NA	NA	NA	NA	1/1
Zhong Ming	2/2	NA	NA	NA	NA	1/1
Zhong Iek Ka	2/2	NA	NA	NA	NA	1/1
Hee Theng Fong	2/2	2/2	1/1	1/1	NA	1/1
Hong Pian Tee	2/2	2/2	1/1	NA	1/1	1/1
Teo Ser Luck	2/2	2/2	NA	1/1	1/1	1/1
Chua Taik Him	2/2	2/2	1/1	NA	1/1	1/1
Tan Chin Siong	2/2	2/2	NA	1/1	1/1	1/1

NA - Not Applicable

### Access to Information

Management ensures that the Board is provided with complete, adequate and timely information prior to meetings and on an ongoing basis, in order for the directors to discharge their duties efficiently and effectively.

In line with the Group's commitment to the conservation and preservation of natural resources for environmental sustainability, the Board and Board Committees are no longer provided with printed copy of meeting papers. Instead, documents including financial results together with presentation slides and press releases, other relevant reports/papers on proposed dividend, pre-sales, debts structure, financial covenants and budget variance, as well as relevant background information and documents relating to any business to be discussed at the Board and/or Board Committees' meetings such as audit plans and findings, internal audit reports, sustainability reports, notices on disclosure of directors' interests, paper(s) on any financing activities or corporate actions and interested person transactions and etc. are uploaded to a secured electronic portal prior to the scheduled meetings for the directors' viewing, consideration and discussion. Management and other senior executives attend meetings of the Board and/or Board Committees, where required and appropriate, to brief the Board and/or Board Committees on the Group's financial performance, business plan and strategy as well as latest market developments and industry trends, amongst others, whilst the Company's auditors and professional advisers are invited on a need-to basis to attend the various meetings to provide insights into business to be discussed at each such meeting. Despite the Company has adopted half-yearly reporting approach for its unaudited financial results, directors are provided with regular updates on the pre-sale proceeds and internal audit reports on a quarterly basis.

Directors have unfettered access to Management and are entitled to request from Management and be provided with such additional information as they may be needed to make informed and timely decisions. Relevant information on material events or transactions are provided to the directors as and when they arise. Where an approval of the Board and/or Board Committees is sought, relevant background and explanatory information on the matter in issue is provided to the Board and/or Board Committees to facilitate their decision making. In addition to the budget variance report for the first half financial year which is usually tabled at the meetings of the AC and Board together with the half-yearly unaudited financial results, annual budget together with full year budget variance reports are presented to the Board at meeting on a yearly basis.

### Access to Management, Company Secretary and Professional Advice

The Chairman and CEO, the Group Financial Controller, the internal and external auditors and the Company Secretary are available to address any queries that the directors may have at the meetings and as and when necessary. The Board has separate and independent access to Management, including the Group Financial Controller, the internal auditors and the Company Secretary, as well as the external auditors through face-to-face meetings, electronic mail, telephone, video conference or by other means of communication application as and when required.

## CORPORATE GOVERNANCE

The Company Secretary attends all meetings of the Board and Board Committees. In addition to advising the Board on corporate and administrative matters as well as assisting with training and professional development programmes for the directors as required, the role of the Company Secretary includes ensuring the Board procedures are followed, applicable rules and regulations are complied with as well as assisting the Board in implementing and strengthening the corporate governance practices and processes. Under the direction of the Chairman and CEO, the Company Secretary also ensures good information flows within the Board and Board Committees and between the Management and independent non-executive directors. The appointment and removal of the Company Secretary are subject to the approval of the Board.

The directors may, whether individually or as a group, in the furtherance of their duties or when circumstances warrant the same, take independent professional advice (e.g., auditors and lawyers) at the Company's expense.

### Principle 2: Board Composition and Guidance

*The Board has an appropriate level of independence and diversity of thought and background in its composition to enable it to make decisions in the best interests of the Company.*

### Structure of the Board

The Board currently comprises the following nine members, of whom five are independent non-executive directors and four are non-independent executive directors:

1.	Zhong Sheng Jian	Chairman and Chief Executive Officer
2.	Zhong Siliang	Executive Director
3.	Zhong Ming	Executive Director
4.	Zhong Iek Ka	Executive Director
5.	Hee Theng Fong	Lead Independent Director
6.	Hong Pian Tee	Independent Non-Executive Director
7.	Teo Ser Luck	Independent Non-Executive Director
8.	Chua Taik Him	Independent Non-Executive Director
9.	Tan Chin Siong	Independent Non-Executive Director

Key information regarding the directors including their background information, current and past directorships and chairmanships as well as other principal commitments are set out under the headings "Profile of the Board of Directors" and where applicable, "Additional Information on Directors Seeking Re-election"; and their interests (direct and indirect) in the securities of the Company and its related corporations, if any, are disclosed under the heading "Directors' Statement", in Annual Report 2022.

### Independence of Directors

The Board determines, at the recommendation of the NC, the independence of each director, taking into account, *inter alia*, the criteria and circumstances set out in the Listing Manual, the Code and the Practice Guidance on an annual basis, and as and when circumstances require. Each director is required to complete a questionnaire to declare his independence and the independent non-executive directors are further required to verify all the independence criteria or circumstances set out therein. The independence criteria and circumstances include not being (or have not been) employed by the Company or any of its related corporations in the financial year in question or any of the past three financial years; have no immediate family member who is (or has been) employed by the Company or any of its related corporations in the financial year in question or any of the past three financial years, and whose remuneration is (or was) determined by the RC; do (or did) not, nor any immediate family member does (or did), in the financial year in question or immediate past financial year, provide to or receive from the Company or any of its subsidiaries any significant payments or material services (which may include auditing, banking, consulting and legal services), other than compensation for board service; is (or was) not, nor any immediate family member is (or was), in the financial year in question or immediate past financial year, a substantial shareholder or a partner in (with 5% or more stake), or an executive officer of, or a director of, any organisation which provided to or received from the Company or any of its subsidiaries any significant payments or material services (which may include auditing, banking, consulting and legal services); is (or was) not directly associated with a substantial shareholder of the Company, in the financial year in question or immediate past financial year; does not have any relationship(s) with the Company, its related corporations, its substantial shareholders or its officers that could interfere, or be reasonably perceived to interfere,

## CORPORATE GOVERNANCE

with the exercise of independent business judgement in the best interests of the Company; and has not been a director of the Company for an aggregate period of more than nine years (whether before or after listing), or in the case of more than nine years, the continued appointment as an independent director has been sought and approved in accordance with the requirements of the Listing Manual. The results of the independence questionnaires were tabled to the NC and Board at their respective meetings for review. During the recent annual assessment, all directors have completed the independence questionnaire, of which all five independent non-executive directors have confirmed their independence in respect of all the above criteria or circumstances and none of them have served the Board for an aggregate period of more than nine years (whether before or after listing). The directors shall notify the Company in writing promptly on any changes thereof as and when they arise. Each independent non-executive director abstained from deliberation in determining his own independence.

When required, the independence criteria and circumstances set out in the questionnaire may be updated from time to time to ensure that the directors' independence is in conformity with the Listing Manual, the Code and the Practice Guidance. To this end, the questionnaire was subsequently updated in February 2023 in line with the new Rule 210(5)(d)(iv) of the Listing Manual, such that with effect from the Company's annual general meeting to be held for the financial year ending December 31, 2023, a director will not be independent if he/she has been a director for an aggregate period of more than nine years (whether before or after listing).

Taking into consideration the requirements of the Listing Manual, the Code and the Practice Guidance, and based on each director's response to the questionnaire, results of the annual assessment of the Board and each Board Committee as well as each individual director relating to independence of directors for FY 2022, the NC and the Board assessed and satisfied that Mr. Hee Theng Fong, Mr. Hong Pian Tee, Mr. Teo Ser Luck, Mr. Chua Taik Him and Mr. Tan Chin Siong are not faced with any criteria or circumstances that could interfere, or be reasonably perceived to interfere, with the exercise of their independent business judgement in the best interests of the Company and that they have demonstrated independence in discharging their duties and responsibilities as a director of the Company, in this respect, the NC and the Board determined that Mr. Hee Theng Fong, Mr. Hong Pian Tee, Mr. Teo Ser Luck, Mr. Chua Taik Him and Mr. Tan Chin Siong remain independent. The NC and Board are also of a view that there is a sufficiently strong independent element on the Board to enable independent exercise of objective judgment on the corporate affairs of the Group and encourage unbiased decision making aligned with the Shareholders' interests, with independent non-executive directors making up a majority of the Board. There is also an appropriate balance of power and authority within the various Board Committees chaired by independent non-executive directors.

### Non-Executive Directors

To avoid undue influence of Management over the Board and ensure that appropriate checks and balances are in place, five independent non-executive directors make up a majority of the Board. They have unrestricted access to the Management; constructively challenge and comment on proposals on strategies as well as other business and governance issues; and review the performance of Management in meeting targeted goals and monitor the reporting of performance.

### Board Structure, Size, Composition and Diversity

The Company recognises and embraces the importance and benefits of having a Board and Board Committees of appropriate structure, size and composition comprising directors who as a group provide an appropriate balance and diversity of various aspects. The Company also believes that diversity is an important attribute of a well-functioning and effective Board as a diverse Board provides multiple perspectives, enhances decision-makings, avoids groupthink or uncritical conformity and fosters constructive debate, and accordingly, has in place a Board Diversity Policy (which is also being made available on the Company's website at [yanlordland.com/corporate-governance/](http://yanlordland.com/corporate-governance/)) to promoting adequate diversity on the Board. In particular, the Company values the Board with diversity in aspect of skillset and expertise, business background and industry knowledge, international experiences, age, gender, tenure and independence. The NC is responsible for administering and reviewing the Board Diversity Policy to ensure its effectiveness and practicality.




In reviewing the Board's structure, size and composition including a review on the Board's composition in each aspect of diversity, the NC and Board take into consideration the relevant rules and regulations, the Board Diversity Policy, the results of annual assessment of the Board and each Board Committee as well as each individual director, the independent element on the Board, the listed company board representations and other principal commitments held by each director (or type of director), scope and nature of operations as well as business requirements of the Group, succession plan for directors including retirement by rotation and re-election schedule, the need for progressive refreshing of the Board and the need to avoid undue disruptions from unnecessary changes to the composition of



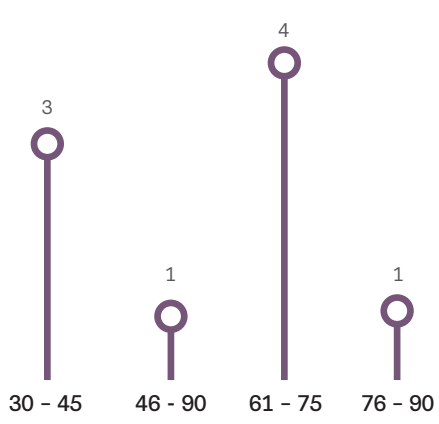

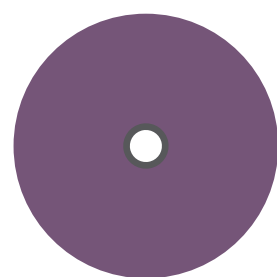

## CORPORATE GOVERNANCE

the Board and Board Committees. The NC and Board are of a view that the current structure, size and composition of the Board and various Board Committees remain appropriate and effective and provide adequate diversity and independence to the Board, and are conducive to efficient and effective discussion and decision making as the current structure, size and composition of the Board and Board Committees are appropriate for meaningful individual participation by each director with diverse professional perspective, and hence, no change to the current size, structure and composition of the Board and Board Committees is required.

The NC and Board also review and determine the targets, plans and timelines set for achieving each of the Board diversity aspects as well as progress being made thereof on an annual basis or as and when circumstances require, taking into consideration on how the combination of skills, talents, experience and diversity of directors in serving the current and future needs and strategic objectives of the Group. The details are set out as follows:

<b>Skillset and Expertise</b>	
<p>The Board currently comprises directors who as a group possesses skillset, expertise and core competencies in various fields, including entrepreneurial leadership, strategic planning, business analytics, business management, business and corporate advisory, business restructuring and transformation, legal, finance, accounting, auditing, technology, sales, marketing, investment, engineering, sustainability and etc.</p>	
<p><b>Plan and timeline as well as progress being made in FY 2022:</b> Taking into consideration the globally increased cognisance of the sustainability issue as well as Rule 720(7) of the Listing Manual, sustainability has been included as one of the requisite skills and competencies of the Board. In FY 2022, all directors have undergone training on issues relating to ESG (as defined below) conducted by Deloitte Singapore as well as training programme on sustainability matters as prescribed by the SGX-ST. The Company has also provided video training on anti-corruption to the directors.</p>	
<p><b>Target:</b> The NC and Board satisfied that the Board's composition in terms of skillset and expertise remains adequate and fit to the needs and business of the Group, in this regard, they determined that the target for the Board to comprise directors who as a group possesses at least four business-related and five specific skillset and expertise, remain unchanged.</p>	 <b>On Target</b>
<b>Business Background and Industry Knowledge</b>	
<p>The Board currently comprises directors who as a group possesses experiences and knowledge in various businesses and industries, including real estate development/investment/management, hospitality, environmental services, food and beverages, healthcare, professional services, energy solutions, information technology, fund management and investment, public sector and etc.</p>	
<p><b>Plan and timeline as well as progress being made in FY 2022:</b> Not applicable as target is met.</p>	
<p><b>Target:</b> The NC and Board satisfied that the Board's composition in terms of business background and industry knowledge remains adequate to the current context as well as the future strategic objectives including growth and development plan of the Group, in this regard, they determined that the target for the Board to comprise directors who as a group possesses at least four industry-related and five specific background and knowledge, remain unchanged.</p>	 <b>On Target</b>
<b>International Experiences</b>	
<p>The Board currently comprises directors with international experiences, regional business expertise and strategic networking relationships in various countries, including Singapore, the People's Republic of China ("PRC") (including Hong Kong SAR), Malaysia, Indonesia and etc.</p>	
<p><b>Plan and timeline as well as progress being made in FY 2022:</b> Not applicable as target is met.</p>	
<p><b>Target:</b> The NC and Board satisfied that the Board's composition in terms of international experiences is adequate to the business operations as well as the future strategic objectives including growth and development plan of the Group, in this regard, they determined that the target for the Board to comprise directors who as a group have international business experiences in regions which the Group's main business are currently operating at, i.e. Singapore and PRC (including Hong Kong SAR), remain unchanged.</p>	 <b>On Target</b>

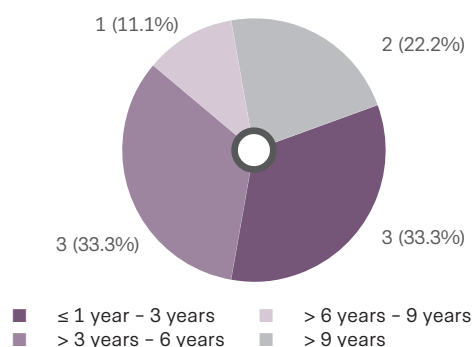
# CORPORATE GOVERNANCE

<p><b>Age</b></p> <p>The Board currently comprises directors with different age groups, as follows:</p>  <p style="text-align: center;"> <span>30 - 45</span>    <span>46 - 90</span>    <span>61 - 75</span>    <span>76 - 90</span> </p> <p><b>Note:</b> Age is grouped at the interval of 15 years and age of each director is calculated as of the date of 2023 AGM (as defined below).</p>	
<p><b>Plan and timeline as well as progress being made in FY 2022:</b> Not applicable as target is met.</p>	
<p><b>Target:</b> The NC and Board satisfied that the Board’s composition in terms of age groups is adequate having due regard to the varied age groups of the current Board and that there is no restriction on the retirement age of directors, in this regard, they determined that the target for the Board to comprise at least two different age groups of directors with age spread of more than 15 years, remain unchanged.</p>	 <p><b>On Target</b></p>
<p><b>Gender</b></p> <p>The composition of the current Board in terms of gender is as follows:</p>  <p style="text-align: center;">100%</p> <p style="text-align: center;">■ Male</p>	
<p><b>Plan and timeline as well as progress being made in FY 2022:</b> Female candidate who possesses all the objective criteria and qualification that complement the Board mix and composition would be appointed on merit, to fill the Board vacancy that may arise due to retirement or cessation of service of an existing director. There was no Board vacancy that has given rise to an action to be taken relating to the plan in FY 2022 and the NC and Board determined that the plan and timeline set in FY 2022 remain relevant to the Group.</p>	
<p><b>Target:</b> The NC and Board determined that the target for the Board to comprise at least one female director remain unchanged.</p>	 <p><b>In Progress</b></p>

## CORPORATE GOVERNANCE

### Tenure

The Board currently comprises directors with different tenure groups, as follows:



**Note:** Tenure is grouped at the interval of 3 years and tenure of each director is calculated as of the date of 2023 AGM. The two directors who have served the Board for more than nine years are executive directors.

**Plan and timeline as well as progress being made in FY 2022:** Not applicable as target is met.

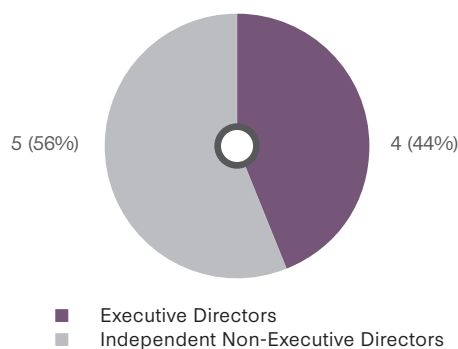
**Target:** In line with the changes made to the Listing Manual whereby a director will not be independent if he has been a director for an aggregate period of more than nine years (whether before or after listing), the target set in FY 2022 has been updated whereby the Board should comprise at least two different tenure groups, with independent non-executive directors not to serve the Board for an aggregate period of more than nine years (whether before or after listing).



**On Target**

### Independence

The independence element on the current Board is as follows:



**Plan and timeline as well as progress being made in FY 2022:** Not applicable as target is met.

**Target:** The NC and Board satisfied that the Board has an appropriate level of independence with independent non-executive directors making up a majority of the Board and that the Board has a lead independent director to provide leadership in situation where the Chairman is not independent, in this regard, they determined that the target for the Board to make up by a majority of independent directors, remain unchanged.



**On Target**

# CORPORATE GOVERNANCE

## Meetings of Non-Executive Directors and/or Independent Non-Executive Directors

In FY 2022, the independent non-executive directors, led by the lead independent director, met separately with internal and external auditors to discuss matters pertaining to the Group, without presence of the executive directors and Management to facilitate a more effective check on the Group. No significant issues were raised at such meetings. In February 2023, the independent non-executive directors, led by the lead independent director, had a private meeting among themselves without the presence of executive directors and Management. The lead independent director as chairman of the private meeting is tasked to collate feedbacks (if any) from the independent non-executive directors and/or outcome of discussions at the private meeting and communicate the same to the Board and/or the Chairman and CEO, as appropriate.

## Principle 3: Chairman and Chief Executive Officer

*There is a clear division of responsibilities between the leadership of the Board and Management, and no one individual has unfettered powers of decision-making.*

Mr. Zhong Sheng Jian currently assumes the roles of Chairman and Chief Executive Officer. Taking cognisance that there is no division of responsibilities between the Chairman and the Chief Executive Officer, the Board has a lead independent director in line with the recommendation of Provision 3.3 of the Code. The Company has not adopted the recommendation in Provision 3.1 of the Code to have separate persons appointed as the Chairman and the Chief Executive Officer as the Company believes that vesting the roles of both the Chairman and the Chief Executive Officer in the same individual enables the Company to achieve higher responsiveness, efficiency and effectiveness when formulating business strategies and executing business plans. Furthermore, in view of Mr. Zhong Sheng Jian's extensive industrial experience and significant role in the historical development of the Group, it is beneficial to the business prospects of the Group that Mr. Zhong Sheng Jian continues to act as both the Chairman and the Chief Executive Officer. The balance of power and authority is sufficiently maintained by the operation of the Board, comprising majority of independent non-executive directors on the Board, in ensuring an effective oversight by the Board. In addition, through delegation of power and authority to various Board Committees to perform key functions and the putting in place of internal controls for proper accountability, the Board is able to exercise objective judgement independently from the Chairman and CEO as well as Management in the best interest of the Group, where no individual or small group of individuals dominates the decision of the Board in line with the intent of Principle 3 of the Code.

## Roles and Responsibilities of the Chairman and CEO

The Chairman and CEO, *inter alia*, leads the Board to ensure its effectiveness on all aspects of its roles and provides close oversight, guidance and leadership to Management. He is responsible for, among others, exercising control over the quality, quantity and timeliness of the flow of information within the Board and between the Board and the Management. He plays a key role in fostering constructive dialogue between the Board and Management, the Shareholders and other stakeholders and encourages constructive relations within the Board and between the Board and Management. He also takes a leading role in the Group's drive to achieve and maintain high standards of corporate governance practices within the Group with full support of the directors, the Company Secretary and Management. The Chairman and CEO, with the assistance of the Company Secretary, also schedules meetings and sets meeting agenda and ensures sufficient allocation of time for thorough discussion of each agenda item, in particular of strategic issues. He promotes an open environment for discussion at the meetings of the Board so as to ensure meaningful participation and effective contribution by each director and attendee. The Chairman and CEO is also responsible for the overall management of the Group's business including to implement and review the business direction and strategies of the Group as endorsed by the Board.

## Lead Independent Director

Pursuant to the recommendation in the Code, the Company appointed a lead independent director to, *inter alia*, provide leadership and support effective Board objectivity in business judgement and oversight in situations where the Chairman is conflicted. The current lead independent director is Mr. Hee Theng Fong, who coordinates the activities of independent non-executive directors and plays an additional facilitative role within the Board, and where necessary, provides feedback to the Chairman and CEO for any relevant issues to be further addressed by the Group. The lead independent director also provides a channel to the other independent non-executive directors for confidential discussions on any concerns and to resolve conflicts of interest as and when necessary, as well as collates feedback (if any) from the other independent non-executive directors and communicates the same to the Board and/or Board Committees, as appropriate. He is available to Shareholders where they have concerns and for which contact through the normal channels of communication with the Chairman and CEO or Management are inappropriate or inadequate.



# CORPORATE GOVERNANCE

Any concerns of Shareholders, if received by the Company, to the attention of the lead independent director shall be forwarded to him accordingly. No concern which requires attention of the lead independent director was received from Shareholders in FY 2022.

## Principle 4: Board Membership

*The Board has a formal and transparent process for the appointment and re-appointment of directors, taking into account the need for progressive renewal of the board.*

### Nominating Committee

The terms of reference of NC provides that the NC shall comprise at least three directors, the majority of whom, including the chairman, shall be independent and that the lead independent director, if any, is a member of the NC. The NC currently comprises four members, three of whom, including its chairman, are independent non-executive directors. The chairman of the NC is Mr. Tan Chin Siong and the other members are Mr. Hee Theng Fong, the lead independent director, Mr. Teo Ser Luck and Mr. Zhong Sheng Jian.

The principal roles and responsibilities of the NC under its terms of reference are to review and making recommendations to the Board relating to:

- (a) the appointment and re-appointment of directors (including alternate directors, if any), the Chief Executive Officer and the members of the various Board Committees;
- (b) succession plans for directors, the Chairman, the Chief Executive Officer and key management personnel;
- (c) independence of directors;
- (d) the propose objective performance criteria and process for evaluation and assessment of the effectiveness of the Board as a whole, and of each Board Committee, as well as the contribution by the Chairman and each individual director to the Board;
- (e) training and professional development programmes for directors;
- (f) guidelines on multiple directorships and other principal commitments for each director (or type of director); and
- (g) Board diversity.

### Selection, Appointment and Re-appointment of Directors

All appointments and re-appointments of directors are first reviewed and considered by the NC before recommending them to the Board for approval. Selection of candidates to be considered for appointment as directors may be facilitated, *inter alia*, through internal referral and/or recommendations from reliable sources, provided the prospective candidates meet the qualification criteria established for the particular appointment. Should it be necessary, the NC may consider the use of external search firms to identify a broader range of suitable candidates. When considering the selection, appointment and re-appointment of any directors, in addition to complying with the requirements of the Listing Manual and relevant provisions of the Code as well as the Company's Constitution, as appropriate, the NC and Board take into consideration the structure, size and composition of the Board to ensure that the Board and various Board Committees remain effective and functional with adequate diversity and appropriate level of independence, the criteria of the new directors and performance of the existing directors (as the case may be), the scope and nature of operations of the Group, business requirements, succession plan for directors, the need for progressive refreshing of the Board and the need to avoid undue disruptions from unnecessary changes to the composition of the Board and Board Committees. The assessment parameters for the new directors include integrity, independence, skillset and expertise, experience and diversity. New directors will have to make a declaration as to their interests in and/or independence from the Company. The final decision on appointment of new directors is made based on merit against the objective criteria set out in the Board Diversity Policy and after giving due regard to the overall balance and effectiveness of a diverse Board. The assessment parameters for the existing directors include attendance records at meetings, intensity of participation at meetings and the quality of interventions.

## CORPORATE GOVERNANCE

Pursuant to Regulation 88 of the Company's Constitution, the Company may by Ordinary Resolution appoint any person to be a director either as an additional director or to fill a casual vacancy. Without prejudice thereto, the directors shall also have power at any time so to do, but so that the total number of directors shall not thereby exceed the maximum number (if any) fixed by or in accordance with the Company's Constitution. Any person so appointed by the directors shall hold office only until the next annual general meeting and shall then be eligible for re-election, but shall not be taken into account in determining the number of directors who are to retire by rotation at such annual general meeting. No person was appointed as director subsequent to last annual general meeting of the Company held in 2022 ("2022 AGM"), and accordingly, no director will subject to cease holding office and be put forward for re-election pursuant to Regulation 88 of the Company's Constitution at the next annual general meeting of the Company to be held in April 2023 ("2023 AGM").

Other than the Listing Manual requiring all directors to submit themselves for re-nomination and re-appointment at least once every three years, the Company's Constitution also requires one-third of the Board for the time being (or, if their number is not a multiple of three, the number nearest to but not less than one-third) to retire by rotation at every annual general meeting; provided always that all directors shall retire at least once every three years. On an annual basis, the NC reviews and makes recommendation on re-election of directors who are subject to retirement by rotation or due to cessation from holding office and whether the composition of the Board shall remain unchanged or new directors shall be recommended in place of the existing directors (as and when such need arises) taking into consideration, among others, each director's background, qualifications, experiences, competencies, independency, tenure of service, performance and contribution to the effectiveness of the Board as well as their time commitment (especially for directors holding multiple listed company board representations and/or principal commitments) and with due regard to the progress being made in achieving the objectives set for promoting adequate diversity on the Board. Recommendations on re-election will then be submitted to the Board for its decision and comments and thereafter tabled at the annual general meeting of the Company for consideration and approval by Shareholders. At 2023 AGM, Mr. Hee Theng Fong, Mr. Teo Ser Luck and Mr. Zhong Sheng Jian will be retiring by rotation under Regulation 89 of the Company's Constitution. The abovenamed directors have respectively expressed their stand to seek for re-election at the 2023 AGM. After taking into consideration the abovenamed directors' respective backgrounds, qualifications, experiences, competencies, independency (where applicable), tenure of service, performance and contribution to the effectiveness of the Board as well as their time commitment especially for them whom have multiple listed board representations and/or other principal commitments, the NC and Board support the nomination of each of the abovenamed directors for re-election as a director of the Company at the 2023 AGM.

### Succession Plans

The Company supports the principle that Board renewal is a necessary and continual process, whilst having due regard to the prevailing conditions and needs of the Board, the scope and nature of operations of the Group, business requirements as well as the need to avoid undue disruptions from unnecessary changes to the composition of the Board and Board Committees. Adhered to this principle and in ensuring that the Board and various Board Committees remain effective and functional, the NC and Board review the succession plan for directors on an annual basis or as and when necessary. In addition to ensuring the Board is formed of and sustained with optimal composition and structure, the NC and Board also review succession plan for the Chairman and CEO once a year to make sure that the Board and Management are always backed by committed leader. In recognition of the important roles played by key management personnel in supporting the sustainable development of the Group as well as in executing the Group's business strategy and plans, the Chairman and CEO, works with human resources department, plans succession for key management personnel in ensuring ongoing operation and business continuity of the Group, where such plan made for key management personnel is reviewed by the NC and Board on an annual basis. Different time horizons, including long-term planning in identifying competencies needed for the Group's strategy and objectives, medium-term planning for orderly replacement of Board members and key management personnel as well as contingency planning for preparedness against sudden and unforeseen changes, are taken into consideration in planning succession for directors, the Chairman and CEO and key management personnel.

In respect of the succession plan for directors, the NC and Board determine the need for renewal of or change to the Board or various Board Committees through reviews of, among others, strategic direction and plans of the Group; assessment results of the Board, Board Committees, the Chairman as well as each individual director; time commitment and participation level of each director; training and professional development programmes of directors; structure, size and composition of the Board in various diversity aspects; and the latest developments or requirements of applicable laws and regulations. Proper succession plan to renew the Board gradually are made before the orderly replacement of Board members are taking place. In case of sudden and unforeseen vacancy in the position of a director, top management personnel within the Group who is identified as having potential may be promoted or suitable candidate sourced from internal referrals and/or reliable sources may be appointed to assume the roles of

## CORPORATE GOVERNANCE

the vacancy, or if the circumstances warrant, the NC and Board may consider restructuring the Board and/or various Board Committees. In addition to looking at the age and gender of the candidate, the successor should possess skillset and expertise, business background and industry knowledge as well as international experiences which can fill up the gaps in the Board to ensure adequate diversity on the Board, and should be the one who is appointed based on merit against the objective criteria set and is able to act in line with the strategic direction and plans of the Group. Independence is one of the considerations if the successor is to be appointed as (or replaced with) an independent non-executive director.

In respect of the succession plan for the Chairman and CEO, taking cognisance of the pivotal role played by the Chairman and CEO, the transfer of the roles and responsibilities of the Chairman and CEO, if any, will have to be a comprehensive handover process and sufficient time should be allocated for such transition. The succession plan made for directors, where appropriate, is applicable to serve as a plan for the Chairman and CEO's succession. In case of emergency and should the circumstances warrant so, an independent non-executive director (can be an incumbent or new director) who possesses the right qualities may be appointed to take on the role of Board Chairman and an executive director (or a top management personnel) who fits the profile may be promoted, or where required, a new talent may be appointed, to assume the role as the Chief Executive Officer. The successor should be an experienced and committed leader who is highly adapted, has good communication skills and relevant knowledge, and is able to dedicate the time required for role as Board Chairman; and possesses leadership qualities, knowledge of the Group's business and operations (with orientation and relevant training programmes to be provided particularly for successor who is new to the Group) as well as right vision and values in line with the strategic direction and plans of the Group to assume the role as Chief Executive Officer.

In respect of the succession plan for key management personnel, the Chairman and CEO, with the assistance of human resources department, determines the need for renewal of, restructuring of or changes to the key management personnel through reviews of, among others, development and growth plans of the Group, performance of the Group and respective business unit or area of responsibility of such individual key management personnel, strategic assessment against balanced score card, scheduled retirement and planned departure. Attractive talent retention programme is in place to ensure pool of talent is well maintained within the Group, with various training and development programmes made available to groom potential candidates. In case of a sudden and unforeseen vacancy in the position of a key management personnel, temporary designation within the Group may be appointed while assessment on internal promotion or external sourcing is taking place. Successor may be an internal candidate or a new talent from other industry peers or third-party recruitment firm, who should satisfy the core competencies model set by the Group for a key management personnel including leadership, business acumen, strategic thinking, vitality and management skills, while building a mutual trust relationship with the Group as well as fit to the Group's culture, and be one who can implement the business plans of the Group.

### Assessment of Independence

The NC is tasked to review, evaluate and determine the independence of each director on an annual basis, having regard to the criteria and circumstances set out in the Listing Manual, the Code and the Practice Guidance. All independent non-executive directors met the independent criteria and circumstances and each of them does not have a relationship with the Company, its related corporations, its substantial shareholders or its officers, which may affect his independence or that will otherwise deem such independent non-executive director not to be independent. Detailed information relating thereto are set out in the section entitled "Independence of Directors" of this statement.

### Multiple Listed Company Board Representations and Other Principal Commitments

The responsibilities of a director of a listed company are complex and demanding, and hence, directors are expected to make substantial time commitment to carry out their responsibilities and duties as a director of the Company. In determining whether directors holding multiple listed company board representations and other principal commitments are able to and have been diligently, adequately and effectively carrying out their duties as a director of the Company, the NC and Board consider the competing time commitments faced by directors by conducting an annual review of the listed company board representations and other principal commitments held by each director. The NC and Board also consider the directors' overall performance by reviewing the results of annual assessment of the Board, Board Committees, Chairman and each individual director as well as the directors' commitments and contribution which are evident in their attendance records and level of participation at the meetings of the Board, Board Committees and Shareholders. Having considered that none of the directors holding a significant number of listed company board representations and other principal commitments, the results of annual assessment of the Board, Board Committees, Chairman and individual directors for FY 2022 are satisfactory and the directors achieved full attendance rates and contributed positively to discussions at meetings of Board, Board Committees and Shareholders, for FY 2022, the

## CORPORATE GOVERNANCE

NC and Board satisfied that directors holding multiple listed company board representations and other principal commitments are able to and have been diligently, adequately and effectively carrying out their duties as a director of the Company, including able to make timely decision when dealing with businesses that had been presented to them and to devote sufficient time and attention to the affairs of the Company. The NC and Board are also of the view that multiple listed company board representations and other principal commitments of directors do not hinder them from carrying out their duties as a director of the Company, instead, these directors' participation in other listed entities have widened the experience of the Board and given it a broader perspective. The NC and Board recognise that the individual circumstances and capacity of each director are different as a director's available time and attention may be affected by many different factors, such as the nature of his other responsibilities and near-term plan regarding the other appointments, no maximum number of listed company board representations and other principal commitments which any director may hold was set. The NC shall make recommendation to the Board for the Board to consider adopting the recommendation of the Practice Guidance to establish guidelines on what a reasonable and maximum number of directorships and other principal commitments for each director (or type of director) should be as and when necessary, in due course.

On an annual basis, the NC and Board also review the listed company board representations and other principal commitments of the directors for the present and past five years to assess whether any director had previously served on the board of a company with an adverse track record or with a history of irregularities or is or was under investigation by regulators. Through such review, the NC and Board also assess whether a director's resignation from the board of any such company casts any doubt on the director's qualification and ability to act as a director of the Company. Based on the review conducted in February 2023 and with each director's confirmation, none of the directors had previously served on the board of a company with an adverse track record or with a history of irregularities or is or was under investigation by regulators.

### **Alternate Director**

No alternate director has been appointed to the Board during FY 2022 and the Company currently does not have any alternate director.

### **Principle 5: Board Performance**

*The Board undertakes a formal annual assessment of its effectiveness as a whole, and that of each of its board committees and individual directors.*

The Company believes that excellent Board performance enhances long-term stakeholders' value as the Board performance is ultimately reflected in the long-term performance of the Group. The Company has in place a system to assess the effectiveness of the Board as a whole, that of each of the Board Committees as well as the contribution by the Chairman and each individual director to the Board on an annual basis. The annual assessments help to measure the continuous performance of the Board, Board Committees, Chairman and each individual director and enhance long-term stakeholders' value. The Company did not engage external facilitator in the annual assessments in respect of FY 2022.

### **Criteria and Process for Assessment on Board, Board Committees and Chairman**

In carrying out the annual assessment of the Board, each Board Committee and the Chairman, the NC and Board take into consideration the views of all Board members with each of them abstained from participating in the assessment of the Board Committee(s) on which he is seated (if applicable) and the Chairman and CEO abstained from participating in the assessment of the Chairman. Each director is required to answer the questionnaires setting out relevant performance criteria in various aspects for his views on the performance of the Board, each of the Board Committees and Chairman. Self-evaluation by director on assessment of the Board Committee(s) on which he is seated or by the Chairman or CEO on assessment of the Chairman, if any, shall be considered invalid and shall not be taken into account in computing the relevant results. The performance criteria should not be changed from year to year, and where circumstances deem it necessary for any of the criteria to be changed, such changes shall be reviewed and approved by the NC and Board. The criteria of assessment for the Board includes structure and composition, conduct of affairs, conduct of meetings, corporate strategy and planning, risk management and internal control, Company performance, human resources, communication with Shareholders and engagement with stakeholders while the criteria of assessment for each Board Committee focus on its structure and composition, duties and responsibilities,



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conduct of meetings and functionality and the Chairman is assessed taking into consideration the role of Chairman prescribed by the relevant Practice Guidance. This set of performance criteria was the same as that adopted for the assessments of the Board, Board Committees and Chairman for the financial year ended December 31, 2021 ("FY 2021"). The average ratings scored for each performance criterion in respect of the annual assessment of the Board, each Board Committee and the Chairman for FY 2022 vis-à-vis that of FY 2021 are compiled into a summary report and the same is tabled for review by the NC and for consideration by the Board.

### Criteria and Process for Assessment on Individual Directors

The NC assesses the contribution by each individual director to the Board on an annual basis based on attributes observed during the financial year under review such as the director's attendance record at the Board, Board Committees and general meetings and related activities, contribution in field of expertise, knowledge of the Company's business and industry awareness, understanding of directorship duties and roles, exercising of reasonable skills and diligence and etc. This set of performance criteria was the same as that adopted for the assessments of each individual director for FY 2021. Self-evaluation by the NC member of his own assessment, if any, shall be considered invalid and shall not be taken into account in computing the results. The results of the annual assessment of each individual director are collated and reviewed by the chairman of the NC. The highest average ratings and lowest average ratings scored for each assessment criterion in respect of the annual assessment of each individual director are compiled into a report for the NC and Board's review.

The Board, having satisfied with its effectiveness, resolves whether to retain the current composition of the Board taking into consideration, among others, adequate diversity of the Board, each director's independency, competencies, commitment, contribution and performance, or where appropriate, whether new appointment or cessation of any member of the Board or of the Board Committees is required. Based on the results of annual assessment conducted for FY 2022, the NC and the Board are of the view that the Board as a whole and each of the Board Committees have operated effectively, and each director including the Chairman and CEO has contributed to the overall effectiveness of the Board; in this respect, the NC and Board determined that there is no necessity to renew or change the current composition of the Board and the Board Committees.

## REMUNERATION MATTERS

### Principle 6: Procedures for Developing Remuneration Policies

*The Board has a formal and transparent procedure for developing policies on director and executive remuneration, and for fixing the remuneration packages of individual directors and key management personnel. No director is involved in deciding his or her own remuneration.*

### Remuneration Committee

The terms of reference of RC provides that the RC shall comprise at least three directors, all of whom shall be non-executive and the majority of whom, including the chairman, shall be independent. The RC currently comprises four members, all of whom, including its chairman, are independent non-executive directors. The chairman of the RC is Mr. Teo Ser Luck and the other three members are Mr. Hong Pian Tee, Mr. Chua Taik Him and Mr. Tan Chin Siang.

The principal roles and responsibilities of the RC as set out in its terms of reference are:

- (a) recommending to the Board, a framework of remuneration for the Board and key management personnel and reviewing the specific remuneration packages for each director and key management personnel; and
- (b) considering all aspects of remuneration, including directors' fees, salaries, allowances, bonuses, options, share-based incentives and awards, benefits in kind and termination terms, as applicable, of the directors and key management personnel, which should aim to be fair and avoid rewarding poor performance.

The recommendations of the RC are submitted for endorsement by the Board. No directors nor members of the RC has been involved in deciding his own remuneration package or that of employees related to him, if any.

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## Access to Expert Advice

Subject to the review of the Board, the RC has explicit authority within its written terms of reference to obtain such external consultant or other independent professional advice as it considers necessary to carry out its duties. Should the RC seek expert advice inside and/or outside the Company on remuneration of all directors, the RC should ensure that existing relationships, if any, between the Company and its appointed remuneration consultants will not affect the independence and objectivity of the remuneration consultants. During FY 2022, the RC has not engaged any consultant to advise on remuneration matters.

## Principle 7: Level and Mix of Remuneration

*The level and structure of remuneration of the Board and key management personnel are appropriate and proportionate to the sustained performance and value creation of the Company, taking into account the strategic objectives of the Company.*

## Performance-Linked Remuneration ensuring Sustained Performance and Value Creation

To attract, motivate and retain talents best fit the Group with an objective of building strong and sound leadership bench strength for long-term sustainability of the Group's business, fair and appropriate remuneration packages are offered to the executive directors and key management personnel. The Group seeks to ensure that the level and mix of remuneration are appropriate in finding a balance between the current rewarding and long-term business objectives of the Group, and believes that a fair and reasonable remuneration framework which is linked to a formal and transparent assessment of performance and value creation are key factors in managing its human resources, which in turn is an important asset in creating long-term value to the Group.

The remuneration packages are offered based on established remuneration policies or framework that are reviewed by the RC and approved by the Board on an annual basis. The remuneration packages of executive directors and key management personnel comprise fixed and variable components, of which three key components are salaries, variable bonus or performance incentives and other benefits including benefits in kind. Taking into consideration relevant budget in line with the Group's business plans, an appropriate proportion of executive directors' and key management personnel's remuneration is structured to link rewards to corporate and individual performance, which is aligned with the interest of Shareholders and promotes long-term success of the Group.

The Chairman and CEO is entitled to a salary at a fixed sum, an annual discretionary bonus and benefits in kind. The basic salary may be adjusted as the RC may, subject to the regulations of the Company's Constitution, determine from time to time in its absolute discretion, provided that any increase in basic salary shall not exceed 15% per annum of the amount of salary paid during the immediate preceding 12-month period, while any annual discretionary bonus will be determined by the RC and subject to the Board's approval shall not exceed 5% of the audited consolidated or combined net profits of the Company (after taxation, minority interests, and extraordinary and exceptional items) in respect of the financial year concerned. Notably, to align with Shareholders' interests, a significant portion of the remuneration of the Chairman and CEO is tied to the profit attributable to owners of the Company as disclosed in the audited financial statements of the Company for each financial year.

The remaining executive directors receive salary and variable bonus or performance incentives (and benefits in kind, if relevant) in accordance with their respective employment contract with the Company, in their capacity as a director and/or an executive of the Company. Save as above, the executive directors do not receive any other fees from the Company for their appointments. The Group's performance in terms of financial results is one of the key criteria in assessing the achievements of executive directors and determining the variable components of their remuneration.

In respect of the remuneration of key management personnel, they are remunerated with salary (and benefits in kind, if relevant) commensurate with their respective roles, responsibilities and other circumstances, where to the possible extent, relevant market remuneration benchmarks are being taken into consideration to ensure that the remuneration package is broadly comparable to the others in the market. Key management personnel are also being rewarded with variable bonus or performance incentives in line with the performance of the business unit(s) they are responsible for as well as profits generated from the project(s) managed by them, whilst taking into account the Group's annual performance. In addition, the balanced score card assessing performance of key management personnel based on a few key indicators, including budget achievement rate, project quality, management and marketing cost efficiency, customer satisfaction and labour productivity, is also being used in determining the incentives to be rewarded to the key management personnel. The extent to which the performance conditions have been met was taken into account in determining the actual quantum of variable component of remuneration.

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In overall, the policies on or framework of remuneration of executive directors (including the Chairman and CEO) and key management personnel, which are structured and designed based on the performance of the Group and individual, enable to drive corporate performance and create long-term value to the Group and are symmetric with the risk policies and strategic direction of the Group.

### Fees to Independent Non-Executive Directors

Save for directors' fees, which have to be approved by the Shareholders at annual general meeting(s) of the Company, the independent non-executive directors do not receive any other remuneration from the Company. The RC and Board are mindful that the fees for independent non-executive directors should not be excessive to the extent that their independence will be compromised or reasonably be perceived to compromise. On an annual basis, the RC reviews and recommends to the Board the remuneration framework of and fees for the independent non-executive directors benchmarking with the fees offered by some other comparable industry peers. Having considered the level of contribution of independent non-executive directors including their respective roles and responsibilities in Board and various Board Committees and attendance records as well as the directors' fees of some other industry peers, the RC and Board determined that the remuneration framework of independent non-executive directors for FY 2022 shall be the same as that of FY 2021, where independent non-executive directors with full term of service shall be paid a fixed fee of S\$100,000, and for those who have not served a full-term of service, such fee be paid in proportion to the service period rendered by such independent non-executive director for the financial year concerned. Executive directors do not receive directors' fees. At the endorsement of the Board and subject to the approval of the Shareholders at the 2023 AGM, it is proposed for each of the independent non-executive directors be paid an annual director's fee of S\$100,000 for FY 2022. The RC and Board satisfied that the directors' fees proposed for FY 2022, in a similar quantum paid to each of the independent non-executive directors for FY 2021, are fair, adequate and comparable to the other industry peers in the market and appropriate to the level of contribution by each of the independent non-executive directors.

### Termination and Retirement Terms

The RC had reviewed the remuneration policies on and framework of executive directors' (including the Chairman and CEO) and key management personnel as well as the Company's obligations arising in the event of termination of the executive directors' (including the Chairman and CEO) and key management personnel, and having noted, *inter alia*, their contracts of service including termination terms are set in accordance with the applicable laws and regulations including manpower law of local cities and that there are no contractual obligation for the Company or Group to compensate the executive directors (including the Chairman and CEO) and key management personnel except for the option to pay a salary in lieu of the notice or a compensation according to the prescribed laws, opined that all aspects of remuneration of executive directors (including the Chairman and CEO) and key management personnel are fair containing reasonable termination terms which are not overly generous. There were no termination, retirement or post-employment benefits being granted to any director and key management personnel in FY 2022.

### Long-Term Scheme

The Company acknowledges that implementing schemes to encourage non-executive directors to hold shares in the Company may better align interest of such non-executive directors with the interests of Shareholders. Whilst the Company currently does not have a share option scheme, retirement benefit scheme, share-based compensation scheme or long-term scheme involving the offer of shares in place for independent non-executive directors, it will consider the establishment of such form of long-term incentive as and when appropriate.

### Contractual Provisions

The Company does not make use of contractual provisions to allow it to reclaim incentive components of remuneration paid to its executive directors and key management personnel in exceptional circumstances of misstatement of financial results, or of misconduct resulting in financial loss to the Company having considered that performance incentives are determined subject to performance of the Group and of the individuals from time to time and the Group has the discretion not to award such incentive components. The executive directors also owe a fiduciary duty to the Company and the Company should be able to avail itself of the relevant remedies at law against the executive directors in the event of such breach of fiduciary duties. However, the Company will consider adopting such contractual provisions, as and when appropriate.

# CORPORATE GOVERNANCE

## Principle 8: Disclosure on Remuneration

The Company is transparent on its remuneration policies, level and mix of remuneration, the procedure for setting remuneration, and the relationships between remuneration, performance and value creation.

The RC and Board satisfied that, taken as a whole, the disclosures pertaining to the remuneration of executive directors (including the Chairman and CEO) and top five key management personnel are in line with Provision 8.1 of the Code and the new Rule 1207(10D) of the Listing Manual which is applicable to the Company's annual report for the financial year ending December 31, 2024, and able to provide meaningful information and sufficient transparency in giving an understanding of the remuneration of executive directors (including the Chairman and CEO) and top five key management personnel including the relevant remuneration framework, level and mix of remuneration, the procedure for setting remuneration as well as the linkages between remuneration, performance and value creation.

### 1. Remuneration of Executive Directors (including the Chairman and CEO)

The amount of remuneration paid or payable to each of the executive directors (including the Chairman and CEO) for FY 2022, with breakdown of the components of their remuneration in percentage terms, are as follows:

Remuneration	Total Remuneration (\$)	Salary <sup>1</sup>	Variable Bonus or Performance Incentives	Other Benefits including Benefits in Kind
<b>Executive Directors</b>				
Zhong Sheng Jian (Chairman and CEO)	5,002,075.46	5.38%	94.50%	0.12%
Zhong Ming	957,910.00	65%	34%	1%
Zhong Iek Ka	633,562.00	53%	47%	-
Zhong Siliang	537,441.00	100%	-	-

**Note:**

<sup>1</sup> Includes annual wage supplement and employer's contributions to the Singapore Central Provident Fund and/or the PRC's Central Pension Schemes, where applicable.

### 2. Directors' Fees of Independent Non-Executive Directors

Subject to the approval of the Shareholders at the 2023 AGM, the fees payable to each of the independent non-executive directors for FY 2022 are as follows:

Independent Non-Executive Directors	Directors' Fees (\$)
Hee Theng Fong	100,000
Hong Pian Tee	100,000
Teo Ser Luck	100,000
Chua Taik Him	100,000
Tan Chin Siong	100,000



## CORPORATE GOVERNANCE

### 3. Remuneration of the Top Five Key Management Personnel

The remuneration paid or payable to each of the top five key management personnel (who are not directors or the Chairman and CEO) for FY 2022, in bands of S\$250,000 with breakdown of the components of their remuneration in percentage terms, are as follows:

Remuneration Band/ Key Management Personnel	Salary <sup>1</sup>	Variable Bonus or Performance Incentives	Other Fees	Other Benefits including Benefits in Kind	Total
<b>S\$750,000 to S\$999,999</b>					
Tan Chee Keong, Roy	58%	38%	-	4%	100%
<b>S\$250,000 to S\$499,999</b>					
Chan Chi Wai, Jim	76%	24%	-	-	100%
Zhang Hao Ning	100%	-	-	-	100%
Xie Xueming	100%	-	-	-	100%
Gao Yongjun	100%	-	-	-	100%

**Note:**

<sup>1</sup> Includes annual wage supplement and employer's contributions to the Singapore Central Provident Fund and/or the PRC's Central Pension Schemes, where applicable.

The aggregate remuneration paid or payable to the top five key management personnel (who are not directors or the Chairman and CEO) for FY 2022 is approximately S\$2,630,488.

### 4. Remuneration of Related Key Employees

The remuneration paid or payable to each of the employees who are substantial shareholders of the Company, or are immediate family members (i.e. spouse, child, adopted child, step-child, brother, sister and parent) of a director, the Chairman and CEO or a substantial shareholder of the Company, and whose remuneration exceeds S\$100,000 during FY 2022, in bands of S\$100,000 with breakdown of the components of their remuneration in percentage terms, are as follows:

Remuneration Band/Related Key Employees	Position	Relationship <sup>1</sup>	Salary <sup>2</sup>	Variable Bonus or Performance Incentives	Other Fees	Other Benefits including Benefits in Kind	Total
<b>S\$200,000 to S\$299,999</b>							
Zheng Xi	Chairman of Nanjing Renyuan Investment Co., Ltd.	Brother of Zhong Sheng Jian	100%	-	-	-	100%
<b>S\$100,000 to S\$199,999</b>							
Zhong Si Nuo	Assistant to the Chairman and CEO	Daughter of Zhong Sheng Jian and sister of Zhong Ming and Zhong Iek Ka	76%	24%	-	-	100%
Zhong Si Li	Deputy General Manager	Brother of Zhong Siliang	100%	-	-	-	100%
Zhong Si Min	Financial Controller - Shanghai	Brother of Zhong Siliang	95%	5%	-	-	100%

## CORPORATE GOVERNANCE

Remuneration Band/Related Key Employees	Position	Relationship <sup>1</sup>	Salary <sup>2</sup>	Variable Bonus or Performance Incentives	Other Fees	Other Benefits including Benefits in Kind	Total
<b>S\$100,000 to S\$199,999 (Cont'd)</b>							
Chung Chiu Yan	Chairman of Nanjing Yanlord Enterprise Management Co., Ltd.	Brother of Zhong Sheng Jian	100%	-	-	-	100%

**Notes:**

- <sup>1</sup> Mr. Zhong Sheng Jian is a director, the Chairman and CEO and a substantial shareholder of the Company, and Mr. Zhong Siliang, Mr. Zhong Ming and Mr. Zhong Iek Ka are directors of the Company.
- <sup>2</sup> Includes annual wage supplement and employer's contributions to the Singapore Central Provident Fund and/or the PRC's Central Pension Schemes, where applicable.

### ACCOUNTABILITY AND AUDIT

#### Principle 9: Risk Management and Internal Controls

*The Board is responsible for the governance of risk and ensures that Management maintains a sound system of risk management and internal controls, to safeguard the interests of the Company and its shareholders.*

The Board recognises the importance of maintaining a sound system of risk management and internal controls to safeguard Shareholders' interests and the Company's assets. The Board has overall responsibility for the governance of risk and exercises oversight of the material risks in the Group's business, and is ultimately responsible for the Company's sustainability reporting to ensure that there is an appropriate focus on sustainability by Management. Procedures are in place to identify and manage significant business risks and evaluate potential financial effects to the Group.

#### Risk Management and Sustainability Committee

The Board, with the assistance of the RMSC, reviews the adequacy and effectiveness of the Group's risk management practices and procedures, oversees Management in the design, implementation and monitoring of the risk management system of the Group, and ensures environmental, social and governance ("ESG") factors which have been identified as relevant and material to the Group are appropriately monitored and managed. The RMSC assists the Board in overseeing the Group's risk management framework and policies as well as the Group's commitment and efforts towards sustainability and the Company's approach to sustainability reporting, while determining the ESG factors that are material and pertinent to the Group's business. In respect of risk management, the internal auditors report to the RMSC, and the RMSC reports to the Board, on identified risks, impacts of such risk to the Group, corresponding risk management policies and practices as well as status on the findings since last reporting on an annual basis. Management is responsible for the effective implementation of risk management procedures to facilitate the achievement of business plans and goals. Key business risks are proactively identified, addressed and reviewed on an ongoing basis. For FY 2022, the risks identified and reported are in relation to the areas of government policies, financial (interest rate and foreign currency), liquidity, human resources and information technology. In respect of sustainability, the RMSC oversees the ESG Management Committee, which assists the RMSC to review effectiveness and progress of ESG plans as well as performance of the sustainability targets, which in turn is supported by ESG Task Force comprising cross functional team to execute the ESG plans and coordinate the communication with stakeholders relating to ESG matters.

The terms of reference of RMSC provides that the RMSC shall comprise at least three directors, the majority of whom, including the chairman, shall be independent. The RMSC currently comprises four members, three of whom, including its chairman, are independent non-executive directors. The chairman of the RMSC is Mr. Chua Taik Him and the other three members are Mr. Hee Theng Fong, Mr. Hong Pian Tee and Mr. Zhong Sheng Jian.

## CORPORATE GOVERNANCE

The principal roles and responsibilities of the RMSC as set out in its written terms of reference are:

- (a) identifying, measuring, managing and controlling risks that may have a significant impact on the Group's property development activities;
- (b) reviewing and advising on the implementation and effectiveness of any associated risk action plans developed by the Group's senior management;
- (c) considering and advising on matters that may have a significant impact on the stability and integrity of the property market in the PRC;
- (d) reviewing and recommending on an annual basis the nature and extent of the significant risks that the Company should undertake to achieve its strategic objectives and value creation that are consistent with the Company's risk appetite;
- (e) reviewing the Company's sustainability reporting and considering the risk and impact of material ESG factors to the Group, the interest of stakeholders, the targets of the Group as well as the legislative requirement referred to it by the ESG Management Committee; and
- (f) reviewing and advising on the functioning and effectiveness of the Group's monitoring and management of sustainability related issues through various level of management.

### Internal Controls

The responsibility of overseeing the Group's internal controls system is delegated by the Board to, and undertaken by, the AC with the assistance of the internal auditors. The internal and external auditors conduct audits that involve testing the adequacy and effectiveness of the material internal control systems in the Group. The internal auditors present updates on key internal controls of the Group to the AC, and the AC to the Board, on an annual basis. In connection with the statutory audit review, the external auditors identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that they identify during their audit. The internal controls (including financial, operational, compliance and information technology controls) are intended to provide reasonable but not absolute assurance against material misstatements or losses and include the safeguarding of assets, maintenance of proper accounting records, reliability of financial information, compliance with appropriate legislations, regulations and best practices, and the identification and containment of business risks.

### Adequacy and Effectiveness of Risk Management and Internal Controls

The Board has received a certificate of assurance from the Chairman and CEO, the Group Financial Controller as well as the internal auditors that in respect of FY 2022, the financial records have been properly maintained and the financial statements give a true and fair view of the Group's and the Company's operations and finances; and the Group's internal controls, including financial, operational, compliance and information technology controls, and risk management systems as at December 31, 2022 are adequate and effective.

Based on the internal controls and governance processes established and maintained by the Group, works performed by internal and external auditors, the certificate of assurance provided by the Chairman and CEO, the Group Financial Controller and internal auditors as well as reviews performed by Management, various Board Committees and the Board, the Board, with the concurrence of the AC, has rigorously assessed and is satisfied that the Group's internal controls, including financial, operational, compliance and information technology controls, and risk management systems, remain adequate and effective as at December 31, 2022. No material weaknesses are identified by the RMSC and the Board for FY 2022.

# CORPORATE GOVERNANCE

## Principle 10: Audit Committee

*The Board has an AC which discharges its duties objectively.*

The terms of reference of AC provides that the NC shall comprise at least three directors, all non-executive, the majority of whom, including the chairman, shall be independent. The AC currently comprises five members, all of whom, including its chairman, are independent non-executive directors. At least two of the AC members, including chairman of the AC, are appropriately qualified with recent and relevant accounting or related financial management expertise and experience. The chairman of the AC is Mr. Hong Pian Tee and the other four members are Mr. Hee Theng Fong, Mr. Teo Ser Luck, Mr. Chua Taik Him and Mr. Tan Chin Siong.

The AC assists the Board in discharging its responsibility objectively to safeguard the Group's assets, ensure integrity of the Company's financial reporting, and develop and maintain adequate and effective systems of internal controls, with the overall objective of ensuring that the Management creates and maintains an effective control environment in the Group. The AC provides a channel of communication between the Board, the Management, the external auditors and internal auditors on matters relating to audit.

The principal roles and responsibilities of the AC as set out in its written terms of reference are:

- (a) reviewing with the external auditors their audit plans and evaluation of the system of internal accounting controls;
- (b) reviewing financial statements and any significant financial reporting issues and judgements, before submission to the Board for approval, focusing in particular on changes in accounting policies and practices, major risk areas, significant adjustments resulting from the audit, compliance with accounting standards and compliance with the Listing Manual and any other relevant statutory or regulatory requirements;
- (c) reviewing and reporting to the Board at least annually the adequacy and effectiveness of the internal controls, including financial, operational, compliance and information technology controls and ensuring co-ordination between the auditors and the Management, and reviewing the assistance given by the Management to the auditors, and discussing issues and concerns, if any, arising from audits, and any matters which the auditors may wish to discuss (in the absence of the Management, where necessary);
- (d) reviewing and discussing with the auditors any suspected fraud or irregularity, or suspected infringement of any relevant laws, rules or regulations, which has or is likely to have a material impact on the Group's operating results or financial position, and the Management's response including to review the Whistleblowing Policy for concerns about possible improprieties in financial reporting or other matters to be safely raised, independently investigated and appropriately followed up on;
- (e) considering and recommending the appointment or re-appointment of the external auditors including remuneration of the external auditors, taking into consideration the Audit Quality Indicators (or other factors/requirements as may be amended from time to time) and matters relating to the resignation or dismissal of the auditors;
- (f) reviewing interested person transactions (if any) falling within the scope of Chapter 9 of the Listing Manual and consider whether such transaction is carried out on normal commercial terms whereby the number and terms are fair and reasonable and is not prejudicial to the interests of the Company and its minority shareholders;
- (g) reviewing potential conflicts of interest, if any;
- (h) reviewing the assurance from the Chairman and CEO, the Group Financial Controller and internal auditors (or such other officer/management of equivalent level) on the financial records and financial statements;
- (i) undertaking such other reviews and projects as may be requested by the Board, and reporting to the Board its findings from time to time on matters arising and requiring the attention of the AC; and
- (j) generally undertaking such other functions and duties as may be required by statute or the Listing Manual, or by such amendments as may be made thereto from time to time.



## CORPORATE GOVERNANCE

In addition, the AC has explicit authority to commission and review the findings of internal investigations into matters where there is any suspected fraud or irregularity, or failure of internal controls or infringement of any Singapore law, rule or regulation which has or is likely to have a material impact on the Group's operating results and/or financial position. The AC has full discretion with regard to the calling of any AC meeting and the proceedings thereat and may invite any director or Management to the meeting. In the event that a member of the AC has interest in any matter being considered by the AC, he shall abstain from reviewing and deliberating that particular transaction and voting on that particular resolution. The AC also meets separately with the internal and external auditors at least once per year without presence of the executive directors and Management. In FY 2022, the AC held two meetings (other than passing of resolutions by way of circulations) and met with the internal auditors, and with the external auditors, in each case without presence of the executive directors and Management. These meetings allow the internal and external auditors to raise any issues in the course of their work directly to the AC and/or the independent non-executive directors. No significant issues have been raised in such meetings that required immediate attention of the AC and the Board.

The internal and external auditors have unrestricted access to the AC and vice versa. The AC has been given full access to and co-operation of the Management and has reasonable resources to enable it to discharge its function properly. None of the members of the AC is/was a former partner or director of Deloitte Singapore, the Company's existing auditing firm. The AC carries out its duties as set out within its written terms of reference including matters such as reviewing and recommending the relevant financial results to the Board before the same are released via SGXNET; and reviewing the internal audit reports, the reports from external auditors, the yearly report on key internal controls and interested person transactions. The AC also reviews the scope, results and effectiveness of the internal audit and external audit function, the independence and objectivity of the external auditors, the non-audit services rendered by external auditors as well as the appointment (including re-appointment) and removal of external auditors and their audit fees. The appointment (and re-appointment) of the external auditors is subject to Shareholders' approval at the general meeting of the Company.

The AC is briefed and updated of any changes to accounting standards and issues which may have direct impact on the Group's financial statements from time to time, where necessary.

### External Auditors

In respect of FY 2022, the external auditors of the Company and its Singapore-incorporated subsidiaries and significant associated companies were Deloitte Singapore, an audit firm registered with ACRA. The Group incurred an aggregate amount of fees of approximately RMB8.50 million (equivalent to approximately S\$1.75 million) for services, comprising audit and non-audit services, rendered by Deloitte Singapore and other member firms of Deloitte Touche Tohmatsu Limited (collectively, "Deloitte") for FY 2022, as follows:

Fees to Deloitte for FY 2022	(RMB' million)	Equivalent to Approximately (S\$' million)
Total Audit Fees	8.27	1.70
Total Non-audit Fees	0.23	0.05
<b>Total</b>	<b>8.50</b>	<b>1.75</b>

#### Notes:

- <sup>1</sup> The above fees excluded out of pocket expenses and goods and services tax, and are rounded to the nearest two decimal places.
- <sup>2</sup> The average exchange rate of S\$1:RMB4.8632 for FY 2022 is used for conversion of RMB into S\$.

Taking cognisance that the external auditors should be free from any business or other relationships with the Group that could materially interfere with their ability to act with integrity and objectivity, and in compliance with Rule 1207(6)(b) of the Listing Manual, the AC confirmed that it has undertaken a review of all non-audit services provided by Deloitte and they will not, in the AC's opinion, affect the independence and objectivity of Deloitte. The nature and volume of the provision of the non-audit services provided by Deloitte for FY 2022 and the corresponding fees were taken into consideration by the AC in ensuring that such non-audit fees did not impair or threaten the audit independence of Deloitte. Deloitte has also provided confirmation of its independence to the AC. The International Ethics Standards for Accountants has released new provisions to strengthen auditor's independence for public interest entity audit clients, which has been effective for audits of financial statements for periods beginning on or after December 15, 2022 and includes restrictions on provision of non-assurance services that may create a self-review threat as well as enhanced disclosure requirements on fees paid by the audit client to their auditors, whereby, among others, the concurrence of AC will have to be obtained prior to the provision of any non-assurance services by Deloitte. In connection therewith

## CORPORATE GOVERNANCE

and to facilitate compliance procedure, Deloitte has sought blanket approval (non-specific) of the AC in February 2023 on the list of non-assurance services that are not prohibited under the relevant standards, with specific approval to be sought separately from the AC on the other permissible non-assurance services prior to the commencement of such services should the Group requires such services in the future. Any approval of the AC in this regard shall be valid for a twelve (12)-month period from the date of approval unless otherwise revoked by the AC.

In reviewing the nomination of Deloitte for the re-appointment, the AC has also considered the adequacy of the resources, experience and competence of Deloitte and has taken into account the Audit Quality Indicators relating to Deloitte at both firm and audit engagement level, in accordance with the Audit Quality Indicators Disclosure Framework published by ACRA. The AC also considered the ability of Deloitte's audit team to work in co-operative manner with Management whilst maintaining integrity and objectivity and the ability to deliver their services professionally and within agreed timelines. Ms. Seah Gek Choo was appointed the engagement partner-in-charge of the audit of the financial statements of the Company since June 29, 2020.

The Group has also complied with Rule 712 and Rule 715 of the Listing Manual in appointing the audit firms in respect of FY 2022.

### AC Commentary on Significant Matters

The AC reviewed Deloitte's audit plan for FY 2022 and agreed with Deloitte's proposed significant risks and areas of audit focus that would have an impact on the financial statements of the Group for FY 2022. In the review of the financial statements for FY 2022, the AC has discussed with both Management and the external auditors for the accounting principles that were applied and their judgement of items that might affect the integrity of the financial statements. The AC had also considered the clarity of key disclosures in the financial statements. The following significant matters impacting the financial statements for FY 2022 were reviewed by the AC and discussed with Management and the external auditors in relation to their materiality and appropriate methodology/assessment. The AC concluded that the Group's accounting treatment in each of the following significant matters was appropriate.

Significant matters	How the AC reviewed these matters and what decisions were made
Assessment of recoverable amounts for properties for development, completed properties for sale and properties under development for sale ("Properties")	<p>The AC considered Management's approach and methodology applied in determining whether the Group's Properties are impaired and the amount of impairment to be recorded, if any.</p> <p>The AC reviewed Management's assumptions relating to the reasonableness of the future sales and projected construction costs used in the management assessment.</p> <p>The assessment of recoverable amounts for the Group's Properties was an area of focus for the external auditor, who has included this as a key audit matter for FY 2022. Refer to page 84 of Annual Report 2022.</p>
Valuation of investment properties	<p>The AC considered the approach and methodology applied by the independent professional property valuers to the valuation model in assessing the valuation of investment properties as at year end.</p> <p>The AC reviewed the reasonableness of the key assumptions used in the valuation, which include (i) price per square metre or per car park unit; (ii) capitalisation rates; and (iii) market rent per square metre per month.</p> <p>The valuation of investment properties was an area of focus for the external auditor, who has included this as a key audit matter in its audit report for FY 2022. Refer to page 85 of Annual Report 2022.</p>

# CORPORATE GOVERNANCE

## Whistleblowing Policy

The Group has in place a Whistleblowing Policy which provides a trusted avenue and sets out the procedures for a whistleblower, who may be an employee of the Group or any other persons to report in confidence to the Company any possible improprieties, including malpractice, irregularity, corruption, bribery, fraud, unethical or unlawful conduct and/or any other misconduct or wrongdoing relating to the Group and its employees or officers, without fear of reprisal, detriment, unfair treatment or other retaliatory action. The Whistleblowing Policy has been endorsed by the AC and the Board and is being made available on the Company's website at [yanlordland.com/corporate-governance/](http://yanlordland.com/corporate-governance/).

The AC is responsible for the oversight and monitoring of whistleblowing framework of the Group with the assistance of internal auditors. The AC will assess a complaint received from a whistleblower and if circumstances warrant, designate the internal audit department, a third-party professional or any other personnel as it deemed fit to investigate whistleblowing complaints made in good faith, where the investigation will be conducted independently that any person or party concerned to such complaint will only be called for investigation on a need-to basis, and none of them will be involved in making any decision for the complaint. Any whistleblowing complaint may be lodged with the internal auditor whose contact details are set out in the Whistleblowing Policy which is made available on the Company's website and the identity of such whistleblower will be kept in strict confidence, except under limited circumstances as set out in the Whistleblowing Policy where disclosure of the information is necessary. Information of the whistleblower's identity is only accessible to the AC, the authorised person in the internal audit department and the designated person (as the case may be) who is authorised to verify, investigate, process and deal with the whistleblowing complaints. The Group is also obliged and committed to protect the information of the whistleblower's identity according to its Personal Data Protection Policy, in line with the Personal Data Protection Act 2012 of Singapore and its subsidiary legislation enacted thereunder. Every effort will be made to protect the whistleblowers' identity to ensure they are protected against harassment, reprisals and/or victimisation. The Group objects to and does not tolerate nor condone any retaliatory action taken against any whistleblower and may institute disciplinary action or assist the said whistleblower in taking an action (including a legal action), as it deems appropriate, against any employee/officer of the Group or other person found to have taken such retaliatory action.

The internal auditors will report to the AC of any whistleblowing complaint received, investigation status and results as well as follow-up actions for previously reported whistleblowing complaints, if any, to ensure issues raised are properly resolved; and all records pertaining to a whistleblowing complaint are kept confidential by the authorised person in the internal audit department. The AC will regularly review and update the Whistleblowing Policy, where necessary.

There were no whistleblowing complaints received by the Company in FY 2022.

## Internal Audit

The Group has an in-house internal audit function, led by Mr. Tsui Kai Fung, a chartered secretary, a chartered governance professional and a certified accountant, that is independent of the activities it audits. To ensure that the internal audit works are performed by competent professionals, the internal audit department is staffed with professionally qualified personnel who are members of (i) The Institute of Internal Auditors ("IIA"); (ii) The Hong Kong Institute of Certified Public Accountants ("HKICPA"); (iii) The Association of Chartered Certified Accountants; and (iv) The Hong Kong Chartered Governance Institute. Training and development opportunities are provided for internal audit staff to ensure their technical knowledge and skillset remain current and relevant, where they are encouraged to attend external trainings and seminars conducted by reputable public accounting and auditing firms. The head of internal audit department reports directly to the AC chairman for strategic direction, reinforcement and accountability, and administratively to the Chairman and CEO for assistance in establishing direction, support and administrative matters. The AC assesses, at least annually, the objectivity, adequacy and effectiveness of the internal audit function to ensure it is independent, adequately resourced and effective on an ongoing basis. The AC may make recommendations for any changes to the internal audit processes. The internal auditors have unfettered access to all the Group's documents, records, properties and personnel, including access to the AC, and have appropriate standing within the Group.

The internal audit function is conducted across the Group to monitor the effectiveness of risk management, internal controls and governance processes, *inter alia*, its key role is to promote effective internal controls in the Group and to monitor the performance and effective application of internal controls procedures, which serve to safeguard Shareholders' interests and the Group's assets. The internal audit department also conducts internal review on the Group's sustainability reporting processes, in line with Rule 711B(3) of the Listing Manual and in accordance with the International Standards for the Professional Practice of Internal Auditing. The internal audit department carries out its

## CORPORATE GOVERNANCE

function according to the International Professional Practices Framework issued by the IIA and the Auditing Guideline – Guidance for Internal Auditors issued by the HKICPA. The internal auditors schedule the Group's yearly internal audit plan (including internal review on sustainability reporting processes) in consultation with, but independently of, the Management and the same is submitted to the AC for review and approval on an annual basis prior to the commencement of the yearly internal audit works. The AC considers the resources dedicated to the internal auditors and whether these resources enable the delivery of internal audit plan. The AC receives reports on the findings of internal auditors' works which included updates on last reported internal audit findings as well as the Management's responsiveness and the internal auditors' suggested corrective measures in respect of the present internal audit findings. In the event there are any material and high-risk internal audit findings such as significant non-compliance or major lapses in internal controls, the internal auditors shall report to the AC on an immediate basis. No material and high-risk internal audit finding was reported during FY 2022.

Based on the internal controls and governance processes established and maintained by the Group and works performed by internal auditors as reviewed by the AC including the quarterly internal audit progress reports tabled to the AC as well as the qualifications and experiences of the internal audit staff, the AC satisfied that the Group's internal audit function is independent, adequately resourced and effective.

### SHAREHOLDER RIGHTS AND ENGAGEMENT

#### Principle 11: Shareholder Rights and Conduct of General Meetings

*The Company treats all Shareholders fairly and equitable in order to enable them to exercise Shareholders' rights and have the opportunity to communicate their views on matters affecting the Company. The Company gives Shareholders a balanced and understandable assessment of its performance, position and prospects.*

The Company is committed to delivering high standards of corporate disclosure and transparency in its communications with Shareholders. All Shareholders are treated fairly and equitably to facilitate the exercise of their ownership rights.

#### Information to Shareholders

In line with continuous disclosure obligations of the Company, the Company does not practice selective disclosure and the Shareholders are informed promptly of any major development that may have a material impact on the Group's performance and/or information which may affect the trade, price or value of the Company's shares. Information is communicated to Shareholders on a timely basis, through annual reports, financial results announcements, press releases and other announcements that are released within the mandatory period (where relevant) via SGXNET. The annual reports and financial results are also being made available on the Company's website at [yanlord.listedcompany.com/ar.html](http://yanlord.listedcompany.com/ar.html) and [yanlord.listedcompany.com/financials.html](http://yanlord.listedcompany.com/financials.html) respectively, while all announcements published by the Company via the SGXNET are accessible on the Company's website at [yanlord.listedcompany.com/newsroom.html](http://yanlord.listedcompany.com/newsroom.html). Management made presentation to Shareholders to update them on the Group's performance and position at general meetings and subsequent to each financial results' release, and relevant presentation materials are made available on the Company's website at [yanlord.listedcompany.com/conference.html](http://yanlord.listedcompany.com/conference.html) in addition to releasing via SGXNET for the benefit of Shareholders. The Company's corporate website is [yanlordland.com](http://yanlordland.com). The corporate website has a dedicated and comprehensive investor relations section that is user-friendly with easily downloadable and updated announcements, press releases, financial results, annual reports, presentations and investor newsletters. Information on landbank, dividend, shareholdings, financial calendar and five years financial highlights are also included in the investor relations site.

#### Participation and Voting at General Meetings

All the general meetings of the Company are held in Singapore to ensure that Shareholders have the opportunity to participate effectively in and vote at the general meetings. To help keep physical interactions and COVID-19 transmission risks to a minimum, 2022 AGM was held and conducted by electronic means in place of a physical meeting and Shareholders were not able to attend the 2022 AGM in person. Instead, Shareholders (including CPF and SRS investors) participated in the 2022 AGM by watching and/or listening to the proceedings of the 2022 AGM through live audio-visual webcast or live audio-only stream.



## CORPORATE GOVERNANCE

Shareholders were, in advance, informed of relevant rules and procedures on the alternative arrangements of 2022 AGM. Among others, Shareholders registered online for participation in the 2022 AGM, and upon verification of their status as a Shareholder, received an email containing (i) the login credentials, the link and the steps to access the live audio-visual webcast of the 2022 AGM proceedings, and (ii) the live audio-only stream dial-in numbers to listen to the 2022 AGM proceedings. Shareholders were also given a right to vote on all or any of the resolutions proposed at the 2022 AGM by submitting a proxy form before the prescribed timeline to appoint only the Chairman of the 2022 AGM as their proxy to cast votes on their behalf. Separate resolutions were proposed for substantially separate issues, so as the Shareholders were given the right to express their views and exercise their voting rights on each resolution separately. Detailed information on resolutions relating to directors seeking re-election and renewal of share buyback mandate were disclosed in the annual report of the Company for FY 2021 under the heading "Additional Information on Directors Seeking Re-election" and the appendix to notice of 2022 AGM, respectively, and information on other resolutions were set out in the notice of 2022 AGM. All resolutions of the 2022 AGM were voted by poll, by the Chairman of the 2022 AGM, in accordance with the directions set out in proxy forms received which have been checked by Boardroom Corporate & Advisory Services Pte. Ltd., the Company's share registrar and the appointed polling agent for 2022 AGM, and counted and validated by DrewCorp Services Pte. Ltd., an independent service provider appointed as scrutineer for 2022 AGM. Shareholders submitted questions related to the resolutions proposed at the 2022 AGM, in advance, to the Company when they registered online or by post to the office of the Company's share registrar. Responses to all substantial and relevant questions have been published on the Singapore Exchange's and the Company's website, prior to 2022 AGM. In line with the Group's commitment towards conservation and preservation of natural resources for environmental sustainability, the Company has discontinued the practice of mailing physical copies of its annual reports and circulars. The annual report for FY 2021 containing notice of the 2022 AGM and proxy form, together with the appendix to notice of the 2022 AGM have been made available on the Singapore Exchange's and the Company's websites, and Shareholders were able to send in their request to the Company to ask for a printed copy of the same to be delivered to them.

The 2023 AGM will continue to be held and conducted via electronic means. Details of alternative arrangements in respect of the 2023 AGM, including arrangements on registration and participation in the 2023 AGM via live audio-visual webcast or live audio-only stream, voting live via electronic means or by submitting proxy form to vote on resolutions to be proposed at the 2023 AGM, submission of relevant questions (in advance of or live and online (in real time) during the 2023 AGM) as well as the availability of documents relating thereto, are set out in the notice of the 2023 AGM. There will be video instructions on live voting and vote tabulation procedures before the 2023 AGM proceeds. The Company may be required to change the arrangements for 2023 AGM at short notice if circumstance warrants it to do so due to the changing COVID-19 situation and/or pursuant to any legislative amendments and directives or guidelines from government agencies or regulatory authorities. Shareholders are advised to regularly check the Company's corporate website at [yanlord.listedcompany.com/newsroom.html](http://yanlord.listedcompany.com/newsroom.html) and/or any announcement to be released by the Company to the Singapore Exchange's website at [sgx.com/securities/company-announcements](http://sgx.com/securities/company-announcements) for updates on the 2023 AGM.

A Shareholder who is not a relevant intermediary (as defined in Section 181(6) of the Act) may appoint not more than two proxies to attend, speak and vote on such Shareholder's behalf at the general meeting. A Shareholder who is a relevant intermediary is entitled to appoint more than two proxies to attend, speak and vote at general meetings pursuant to Section 181(1C) of the Act. Subject to the applicable written laws and regulations and the Company's Constitution, the Company, may at its sole discretion, approve and implement, subject to such security measures as may be deemed necessary or expedient, such voting methods to allow Shareholders who are unable to vote in person at any general meeting the option to vote in absentia, including but not limited to voting by mail, electronic mail or facsimile.

### Attendance at the General Meeting

All members of the Board including the Chairman and CEO, the executive directors and the independent non-executive directors together with the Group Financial Controller, Head of Investor Relations and Company Secretary attended the 2022 AGM via video conferencing, while the representatives from the external auditors, the share registrar and polling agent, and the scrutineer participated in the 2022 AGM via live audio-visual webcast. The directors always strive to attend all general meetings of Shareholders and interact with Shareholders regularly.

# CORPORATE GOVERNANCE

## Voting Results and Minutes of General Meetings

The voting outcomes of all resolutions, including the number of votes cast for and against each resolution with the respective percentages taken during the general meetings, were disclosed in accordance with the prescribed format pursuant to the Listing Manual via SGXNET on the same day of such meetings.

The Company Secretary prepares minutes recording proceedings of the general meetings including, if any, substantial and relevant comments or queries from Shareholders relating to the agenda of the general meetings and responses from the Board, Management and external auditors. Minutes of the 2022 AGM has been published via SGXNET and the Company's website according to the relevant requirements.

## Dividend

In view that annual dividend shall be proposed by Management to the Board for consideration prior to any such declaration by the Board on an annual basis after taking into consideration the Group's business expansion and development plans, its financial performance and available resources and other relevant factors from time to time, it is in the interest of the Company not to determine any fixed annual dividend payment policy. Declaration of dividends if any, are clearly communicated to Shareholders and in the event where dividends are not recommended or declared, explanations are given to the Shareholders too. Such communications with Shareholders are made via SGXNET announcements. Considering uncertainty continued to exist in the PRC real estate sector arising from continued volatilities in the global economy and austerity measures promulgated by the PRC central government, and in line with the Group's prudent financial policies and approach, the Group has decided to retain earnings for FY 2022 and will not distribute dividend for FY 2022. This will serve to further augment the Group's financial flexibility and allow it to better mitigate any uncertainty posed by the economic environment. Further information on the Company's past years' dividend payout is also being made available on the Company's website at [yanlord.listedcompany.com/dividend\\_policy\\_and\\_history.html](http://yanlord.listedcompany.com/dividend_policy_and_history.html).

## Principle 12: Communication with Shareholders

*The Company communicates regularly with its Shareholders and facilitates the participation of Shareholders during general meetings and other dialogues to allow Shareholders to communicate their views on various matters affecting the Company.*

The Board embraces openness and transparency in the conduct of the Company's affairs, whilst safeguarding its commercial interest. The Company has an in-house team of investor relations staff to actively engage and promote regular, effective and fair communication with Shareholders and investors. Shareholders may contact investor relations team at Singapore and Hong Kong offices of the Group through the telephone numbers or email address set out on the Company's website at [yanlordland.com/contact-us/](http://yanlordland.com/contact-us/).

In addition to disclosing relevant information of the Group via SGXNET, the Group participated in activities such as global investor conferences, analyst briefings and roadshows to solicit and understand the views of the Shareholders and investors, where relevant presentation materials are accessible on the Company's website at [yanlord.listedcompany.com/conference.html](http://yanlord.listedcompany.com/conference.html). Executive directors and key management personnel are also present during the analyst briefings, where appropriate. For the benefit of Shareholders, newsletters are also being made available on the Company's website at [yanlord.listedcompany.com/newsletters.html](http://yanlord.listedcompany.com/newsletters.html). Shareholders may subscribe for email alert service to be notified of the SGXNET announcements published by the Company. A brief write-up of the Group's investor relations activities can be found under the heading "Operation Review" in Annual Report 2022.

Having considered the need of Shareholders and investors for information in the absence of quarterly financial results reporting, the Company has been engaging with the Shareholders and investors by voluntarily providing updates on the Group's unaudited key operating figures on a monthly basis via SGXNET as well as on the Group's performance through quarterly newsletters published on the Company's website. The Company shall consider on the need to have other voluntary interim updates, taking into consideration its Shareholders' expectations, context of business environment and long-term business strategy. As part of the Company's ongoing efforts to improve investor relations, it will also continue to review, and where necessary, update governance arrangements with stakeholders.

# CORPORATE GOVERNANCE

## MANAGING STAKEHOLDERS RELATIONSHIPS

### Principle 13: Engagement with Stakeholders

*The Board adopts an inclusive approach by considering and balancing the needs and interests of material stakeholders, as part of its overall responsibility to ensure that the best interests of the Company are served.*

#### Appropriate Focus on Sustainability

Stakeholders are parties who may be affected by the Company's activities, or whose actions can affect the ability of the Company to conduct its activities. The Group recognises the relationships with stakeholders may have an impact on the Group's long-term sustainability, and values long-term viability over short-term gains. The Group has been incorporating sustainability initiatives and goals in its strategies and operations, and believes that business success can be achieved through the integration of sustainability in its long-term strategies. The Group's four-tier sustainability governance structure that comprises the Board, RMSC, ESG Management Committee and ESG Task Force proactively assessing ESG risks, setting up strategies, policies and systems, implementation plans and key performance indicators as well as reviewing, monitoring and managing ESG related material topics and objectives on an ongoing basis.

The Group prioritises the health and safety of its customers and considers their well-being at every stage of its operations when developing the properties. To safeguard the health and safety of its customers, the Group has instituted several policies with provisions to ensure that accidents and non-compliance of regulations are avoided, for instance, identifying all potential hazards that the customers may encounter and implementing pre-emptive mitigation measures where necessary. To improve the overall satisfaction of its customers, the Group also studies on the needs of its customers and incorporates these elements in designing and developing its properties, whilst privacy of the customers has been duly protected with adhering to the Privacy Policy of the Group which is being made available on the Company's website at [yanlordland.com/privacy-policy/](http://yanlordland.com/privacy-policy/).

Recognising the need for balance between the commercial needs of its customers and environmental preservation, the Group continues to introduce environmental initiatives through developing eco-friendly developments as and where appropriate, and has adopted a green finance framework to intensify its efforts towards sustainability in its strategies and operations where the Group is committed to fund projects that will deliver positive environmental impacts. The green finance framework is being made available on the Company's website at [yanlordland.com/green-finance-framework](http://yanlordland.com/green-finance-framework). While diversifying its development projects, the Group adopts a responsible approach towards the preservation of natural environment and historical heritage, if any, on and around the construction site. The Group is dedicated to safeguarding its employees' welfare and improving their workplace competencies. It has been abiding by the manpower laws of local cities, among others, to secure the health and safety of its employees in respective countries which the Group presence throughout the year. The Group also further increases its efforts to instil a mind-set that prioritises workplace safety and enforces health and safety policies to create a safe workplace culture. Having noted that its operations not only impact its business performance but the local communities, the Group further extends its social responsibilities to include donations to certain non-profit organisations and involve in special needs and underprivileged communities.

Apart from integrating sustainability in its own operations, the Group has extended its pledge to sustainable business practice across its value chain. Business partners are encouraged to be socially and environmentally responsible in their dealings, for instance, vendors and suppliers are required to undertake to deliver high-quality products and services to the Group, whilst complying with the relevant rules and regulations and promising their commitment and efforts towards an anti-corruption and anti-bribery business environment in line with the Group's code of business conduct which advocates zero-tolerance stance against bribery and corruption.

To ensure a sustainable and steady growth and development, in addition to fulfilling its obligations under financial covenants, the Group has been adopting prudent financial strategy with close monitoring of its capital management and always strives to maintain its financial position at a healthy level, which is also a testament to the Group's effort in maintaining the confidence of investors, creditors and market as well as in assuring the stakeholders including creditors on how their interests are being taken care of and protected by the Group. In addition, by diversifying its funding sources to include loans and notes financing, the Group is able to improve its financial flexibility, optimise its capital structure, minimise financing costs and reduce extensive exposure to one single creditor. Above all these, the key is to have a solid business plan and competent execution to make sure consistent and sustainable business development and growth.

## CORPORATE GOVERNANCE

The Group's approach in managing issues relating to ESG and sustainability in FY 2022 is summarised in Annual Report 2022 under heading "Sustainability Highlights". The sustainability reports covering the sustainability performance, activities and initiatives of the Group explains on how the Group met its responsibilities with its material stakeholders, are published to the Singapore Exchange's website at [sgx.com/securities/annual-reports-related-documents](https://www.sgx.com/securities/annual-reports-related-documents) and the Company's website at [yanlordland.com/sustainability/](https://yanlordland.com/sustainability/). If required, stakeholders may contact (i) the Company through the telephone numbers or email address set out on the Company's website at [yanlordland.com/contact-us/](https://yanlordland.com/contact-us/), (ii) the internal auditor through the email address or mailing address set out in the Company's Whistleblowing Policy, (iii) the lead independent director through correspondence sent to the Company with attention to the lead independent director, (iv) the data protection officer of the Group through the email address at [data.protection@yanlord.com.sg](mailto:data.protection@yanlord.com.sg), or (v) the investor relations department through the email address at [contact@yanlord.com.sg](mailto:contact@yanlord.com.sg).

### OTHER CORPORATE GOVERNANCE MATTERS

#### Core Value

The Group embraces its corporate philosophy of "developing land with devotion, building quality accommodation with passion 《善待土地 用心造好房》" and advocates, throughout the Group, a core value of "managing with benevolence and integrity, achieving perpetuity through perseverance 《仁信治业 持之以恒》". The Group has in place a code of business conduct with relevant policies and practices that inculcates a clean corporate culture such that the Group shall conduct its business with integrity and in socially responsible, ethical and honest manners with zero-tolerance stance against bribery and corruption. The code of business conduct is being made available on the Company's website at [yanlordland.com/corporate-governance/](https://yanlordland.com/corporate-governance/).

#### Best Practices on Dealings in Securities

The Company has adopted Securities Dealing Policy internally to provide guidance for the Company and officers of the Group in relation to the dealings in securities of the Company and the strict compliance of applicable law on insider trading when dealing with securities of the Company as well as securities of other listed companies. Under the Securities Dealing Policy, the Company as well as officers of the Group are prohibited from dealing in the Company's securities one month prior to the announcement of the Company's half year and full year financial statements (if the Company does not announce its quarterly financial statements), or two weeks before the announcement of the Company's financial statements for each of the first three quarters of its financial year and one month before the announcement of the Company's full year financial statements (if the Company announces its quarterly financial statements, whether required by the SGX-ST or otherwise), and are also prohibited from dealing in the Company's securities on short-term considerations and/or when in possession or have access to unpublished inside information. The restriction on dealing further extends to the issue of securities, or the purchase or otherwise acquire of shares pursuant to the Company's share buyback mandate, by the Company. Prior to the commencement of each relevant blackout period, notification together with the Securities Dealing Policy are disseminated to all officers of the Group (including directors), whether in Singapore or elsewhere, informing them of the specific dates during which they are prohibited from dealings. During the blackout periods, the Company does not meet or communicate with the investing community to avoid any selective disclosure. The officers of the Group are also reminded of the requirements of Singapore's securities laws and be mindful of the law on insider trading. All directors are required to notify the Company of any change in his interest in the Company's securities within two business days of the change, and any dealings by the directors (including the Chairman and CEO who is also a director) in securities of the Company are disclosed in accordance with the requirements of the Securities and Futures Act 2001 of Singapore. In addition, the Company also maintains list(s) of persons who are privy to price-sensitive or trade-sensitive information relating to the Group as and when circumstances require such a list to be maintained.



# NOTICE OF ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that the Annual General Meeting (“AGM”) of Yanlord Land Group Limited (“Company”) will be convened and held by way of electronic means on Friday, April 28, 2023 at 2.00 p.m. (Singapore time) (“2023 AGM”) to transact the following business:

## ROUTINE BUSINESS

1. To receive and adopt the Directors’ Statement and the Audited Financial Statements for the financial year ended December 31, 2022 and the Auditor’s Report thereon. **(Resolution 1)**
2. To approve the payment of Directors’ fees of S\$500,000.00 for the financial year ended December 31, 2022 (2021: S\$500,548.00). **(Resolution 2)**
3. To re-elect the following Directors, who are retiring by rotation pursuant to Regulation 89 of the Constitution of the Company and who, being eligible, offer themselves for re-election:
  - a) Mr. Hee Theng Fong **(Resolution 3a)**
  - b) Mr. Teo Ser Luck **(Resolution 3b)**
  - c) Mr. Zhong Sheng Jian **(Resolution 3c)**
4. To re-appoint Deloitte & Touche LLP, Singapore as Auditors of the Company and to authorise the Directors to fix their remuneration. **(Resolution 4)**

## SPECIAL BUSINESS

To consider and if thought fit, to pass, with or without amendments, the following resolutions as Ordinary Resolutions:

5. That authority be and is hereby given to the Directors to: **(Resolution 5)**
  - (a) (i) allot and issue shares of the Company (“Shares”) whether by way of rights, bonus or otherwise; and/or
  - (ii) make or grant offers, agreements or options (each, an “Instrument” and collectively, “Instruments”) that might or would require Shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) warrants, debentures or other instruments convertible into Shares,

at any time and upon such terms and conditions and for such purposes and to such persons as the Directors may, in their absolute discretion, deem fit; and

  - (b) (notwithstanding the authority conferred by this Resolution may have ceased to be in force) issue Shares in pursuance of any Instrument made or granted by the Directors while this Resolution was in force,

provided that:

- (1) the aggregate number of Shares to be issued pursuant to this Resolution (including Shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) does not exceed 50% of the total number of issued Shares (excluding any treasury shares and subsidiary holdings) (as calculated in accordance with sub-paragraph (2) below), of which the aggregate number of Shares to be issued other than on a *pro rata* basis to shareholders of the Company (“Shareholders”) (including Shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) does not exceed 20% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) (as calculated in accordance with sub-paragraph (2) below);

## NOTICE OF ANNUAL GENERAL MEETING

- (2) (subject to such manner of calculation as may be prescribed by Singapore Exchange Securities Trading Limited (“SGX-ST”) for the purpose of determining the aggregate number of Shares that may be issued under sub-paragraph (1) above, the percentage of the total number of issued Shares (excluding treasury shares and subsidiary holdings) shall be based on the total number of issued Shares (excluding treasury shares and subsidiary holdings) at the time this Resolution is passed, after adjusting for:
- (i) new Shares arising from the conversion or exercise of any convertible securities or share options or vesting of share awards which were issued and are outstanding or subsisting at the time this Resolution is passed; and
  - (ii) any subsequent bonus issue or consolidation or subdivision of Shares;
- and, in sub-paragraph (1) above and this sub-paragraph (2), “subsidiary holdings” shall have the meaning ascribed to it in the Listing Manual of the SGX-ST (“Listing Manual”);
- (3) in exercising the authority conferred by this Resolution, the Company shall comply with the provisions of the Companies Act 1967 of Singapore (“Act”), the Listing Manual and the rules of any other stock exchange on which the Shares may for the time being be listed and quoted (“Other Exchange”) for the time being in force (unless such compliance has been waived by the SGX-ST or, as the case may be, Other Exchange) and the Constitution for the time being of the Company; and
- (4) unless revoked or varied by the Company in general meeting, the authority conferred by this Resolution shall continue in force until the conclusion of the next AGM of the Company or the date by which the next AGM of the Company is required by law to be held, whichever is the earlier.

6. That:

**(Resolution 6)**

- (1) for the purposes of Sections 76C and 76E of the Act, the exercise by the Directors of all the powers of the Company to purchase or otherwise acquire issued and paid-up Shares not exceeding in aggregate the Maximum Percentage (as defined below), at such price or prices as may be determined by the Directors from time to time up to the Maximum Price (as defined below), whether by way of:
- (a) market purchase(s) on the SGX-ST or, as the case may be, any Other Exchange, through one or more duly licensed stockbrokers appointed by the Company for the purpose (“Market Purchase”); and/or
  - (b) off-market purchase(s), if effected otherwise than on the SGX-ST or, as the case may be, Other Exchange, in accordance with any equal access scheme(s) as may be determined or formulated by the Directors as they consider fit in the interests of the Company, which scheme(s) shall satisfy all the terms and conditions prescribed by the Act (“Off-Market Purchase”),

and otherwise in accordance with all other laws and regulations, the Listing Manual or, as the case may be, rules of Other Exchange and the Constitution of the Company, as may for the time being be applicable, be and is hereby authorised and approved generally and unconditionally (“Share Buyback Mandate”);

## NOTICE OF ANNUAL GENERAL MEETING

- (2) unless varied or revoked by the Company in general meeting, the authority conferred on the Directors pursuant to the Share Buyback Mandate may be exercised by the Directors at any time and from time to time during the period commencing from the date of the passing of this Resolution and expiring on the earliest of the date on which:
- (a) the next AGM of the Company is held;
  - (b) the next AGM of the Company is required by law to be held; and
  - (c) the purchases or acquisitions of Shares pursuant to the Share Buyback Mandate (“Share Purchases”) are carried out to the full extent mandated;
- (3) In this Resolution:
- “Maximum Percentage” means that number of issued Shares representing not more than 10% of the total number of issued and paid-up Shares (excluding treasury shares and subsidiary holdings (as defined in the Listing Manual)) as at the date of the passing of this Resolution;
- “Maximum Price” means the purchase price (excluding brokerage, commission, applicable goods and services tax, stamp duties, clearance fees and other related expenses) to be paid by the Company for the Share Purchases, not exceeding:
- (i) in the case of a Market Purchase, 105% of the Average Closing Price of the Shares; and
  - (ii) in the case of an Off-Market Purchase, 120% of the Average Closing Price of the Shares;
- “Average Closing Price” means the average of the closing market prices of the Shares over the last five (5) market days, on which transactions in the Shares were recorded, in the case of a Market Purchase, before the date of the Market Purchase, or in the case of an Off-Market Purchase, before the date the Company makes an offer for Share Purchases from Shareholders, stating therein the relevant terms of the equal access scheme for effecting the Off-Market Purchase, and deemed to be adjusted, in accordance with the Listing Manual, for any corporate action that occurs during the relevant five-day period and the day on which the Market Purchase or (as the case may be) the offer pursuant to the Off-Market Purchase is made.
- (4) the Directors and/or any of them be and are hereby authorised to complete and do all such acts and things (including executing all such documents as may be required) as they and/or he may consider expedient or necessary or in the interests of the Company to give effect to the transactions contemplated and/or authorised by this Resolution.

### BY ORDER OF THE BOARD

Sau Ean Nee  
Company Secretary

April 5, 2023  
Singapore

# NOTICE OF ANNUAL GENERAL MEETING

## Explanatory Notes:

1. Resolution 2, if passed, the payment of such fees will be made to the Independent Non-Executive Directors. The remuneration framework of Independent Non-Executive Directors for the financial year ended December 31, 2022 ("FY 2022") remains the same as that adopted for the financial year ended December 31, 2021. Additional information on the remuneration framework of and Directors' fees for Independent Non-Executive Directors can be found under the "Corporate Governance" section in the Company's annual report for FY 2022 ("Annual Report 2022").
2. Resolutions 3a to 3c:
 

Mr. Hee Theng Fong who is the Lead Independent Director will, upon re-election, continue to serve as a member of Audit Committee ("AC"), a member of Nominating Committee ("NC") and a member of Risk Management and Sustainability Committee ("RMSC").

Mr. Teo Ser Luck who is an Independent Non-Executive Director will, upon re-election, continue to serve as the chairman of Remuneration Committee, a member of AC and a member of NC.

Mr. Zhong Sheng Jian who is the Chairman and Chief Executive Officer will, upon re-election, continue to serve as a member of NC and a member of RMSC.

The Board of Directors of the Company considers Mr. Hee Theng Fong and Mr. Teo Ser Luck remain independent. Please refer to the sections of "Profile of the Board of Directors", "Directors' Statement", "Corporate Governance" and "Additional Information on Directors Seeking Re-election" in the Annual Report 2022, for more information on Mr. Hee Theng Fong, Mr. Teo Ser Luck and Mr. Zhong Sheng Jian.
3. Resolution 5, if passed, will empower the Directors from the date of the passing of this Resolution until the date of the next AGM of the Company (unless such authority is revoked or varied in general meeting), to issue Shares and/or to make or grant Instruments (such as warrants or debentures) convertible into Shares, and to issue Shares in pursuance of such Instruments, up to a number not exceeding in total 50% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) with a sub-limit of 20% for issues other than on a *pro-rata* basis to Shareholders (calculation as described above).
4. Resolution 6 relates to the renewal of the Share Buyback Mandate which was last approved by Shareholders on April 28, 2022. Please refer to the Appendix to this Notice of AGM, containing a letter to Shareholders in relation to the proposed renewal of the Share Buyback Mandate ("Appendix on Share Buyback Mandate"), for details.



# NOTICE OF ANNUAL GENERAL MEETING

## Important Notes:

The 2023 AGM is being convened and will be held by electronic means in place of a physical meeting and Shareholders will not be able to attend the 2023 AGM in person. Instead, Shareholders may participate in the 2023 AGM through watching and/or listening to the proceedings of the 2023 AGM via live audio-visual webcast or live audio-only stream; submitting questions to the Company in advance of or live and online (in real time) during the 2023 AGM; and/or voting at the 2023 AGM live via electronic means or by submission of proxy form to authorise proxy or proxies to vote on your behalf.

### 1. Pre-Registration for Participation at the 2023 AGM Electronically

Shareholders who are entitled to attend, speak and vote at the 2023 AGM, as well as CPF and SRS investors, and who wish to participate in the 2023 AGM electronically, must register online via the pre-registration website at [go.lumiengage.com/yanlordagm2023](https://go.lumiengage.com/yanlordagm2023) **by April 25, 2023 no later than 2.00 p.m.** to enable the Company's Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., to verify the Shareholders' status. Shareholders who wish to authorise representative(s) or appoint proxy or proxies (other than the Chairman of the 2023 AGM) to participate in the 2023 AGM electronically on behalf of the Shareholders will have to provide particulars of the authorised representative(s) or appointed proxy or proxies, in addition to the Shareholders' details, during the online registration.

Following the verification, authenticated Shareholders, or where applicable, the appointed proxy or proxies or authorised representative(s), as well as CPF and SRS investors will receive an email containing, among others, (i) the unique login credentials and the steps on how to access the live audio-visual webcast of the 2023 AGM proceedings, and (ii) the live audio-only dial-in numbers to listen to the 2023 AGM proceedings. Shareholders, or where applicable, the appointed proxy or proxies or authorised representative(s), as well as CPF and SRS investors who have registered in accordance with the instructions within the timeline as set out in above paragraph but do not receive an email response by 2.00 p.m. on April 27, 2023 should contact the Company's Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., via email at [bcasmeetings@boardroomlimited.com](mailto:bcasmeetings@boardroomlimited.com).

Shareholders holding Shares through Relevant Intermediaries (as defined in Section 181 of the Act) will not be able to register your interest for participation in the 2023 AGM via the pre-registration website. Such Shareholders who wish to participate in the 2023 AGM electronically should contact the Relevant Intermediaries through which you hold such Shares to make the necessary arrangements.

### 2. Submission of Questions

Shareholders (including CPF and SRS investors) are allowed to submit questions related to the resolutions to be proposed at the 2023 AGM ("Resolutions"), if any, in advance of the 2023 AGM to the Company **by April 18, 2023 no later than 2.00 p.m.** (i) via email to [AGM@yanlord.com.sg](mailto:AGM@yanlord.com.sg); (ii) by post to the office of the Company's Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., at 1 Harbourfront Avenue, Keppel Bay Tower, #14-07, Singapore 098632; or (iii) when the Shareholders register online via pre-registration website at [go.lumiengage.com/yanlordagm2023](https://go.lumiengage.com/yanlordagm2023). Any response to substantial and relevant questions received within the prescribed timeline will be published by the Company on the Singapore Exchange's website at [sgx.com/securities/company-announcements](https://sgx.com/securities/company-announcements) and the Company's website at [yanlord.listedcompany.com/newsroom.html](https://yanlord.listedcompany.com/newsroom.html) **latest by April 21, 2023**. Any subsequent clarifications sought, or follow-up questions in respect of substantial and relevant matters may be consolidated and addressed either before the 2023 AGM via an announcement and the Company's website or at the 2023 AGM.

Shareholders, or where applicable, the appointed proxy or proxies or authorised representative(s), as well as CPF and SRS investors who have pre-registered and are verified to be able to attend the 2023 AGM may ask questions relating to the Resolutions, live and online (in real time) during the 2023 AGM, by typing in and submitting questions via the live ask question function on the online platform hosting the audio-visual webcast within a certain prescribed time limit. Shareholders will not be able to ask questions via the audio-only stream. The Company will, during the 2023 AGM, endeavour to address all substantial and relevant questions to the Resolutions which have not already been addressed prior to the 2023 AGM, as well as those received at the 2023 AGM. Where substantially similar questions are received, the Company may consolidate such questions and consequently not all questions may be individually addressed.

# NOTICE OF ANNUAL GENERAL MEETING

Shareholders holding Shares through Relevant Intermediaries who wish to submit questions should approach the Relevant Intermediaries through which you hold such Shares to make the necessary arrangements.

The Company will publish the minutes of the 2023 AGM on the Company's website at [yanlord.listedcompany.com/newsroom.html](http://yanlord.listedcompany.com/newsroom.html) and on the Singapore Exchange's website at [sgx.com/securities/company-announcements](http://sgx.com/securities/company-announcements) within one (1) month from the date of the 2023 AGM, and the responses to substantial and relevant questions to the Resolutions will be minuted accordingly.

### 3. Submission of Proxy Form and Voting on Resolutions at the 2023 AGM

Shareholders, or where applicable, the authorised representative(s), as well as CPF and SRS investors who have pre-registered and are verified to be able to attend the 2023 AGM may vote live via electronic means at the 2023 AGM.

Shareholders who wish to appoint the Chairman of the 2023 AGM or such other person(s) as proxy or proxies to exercise voting right on the Shareholders' behalf at the 2023 AGM must submit a proxy form, duly completed and signed/executed in accordance with the instructions on the proxy form, (i) via email to [AGM@yanlord.com.sg](mailto:AGM@yanlord.com.sg); or (ii) by post to the office of the Company's Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., at 1 Harbourfront Avenue, Keppel Bay Tower, #14-07, Singapore 098632, in either case, not less than 72 hours before the time fixed for holding the 2023 AGM, i.e. **by April 25, 2023 no later than 2.00 p.m.** The particulars of appointed proxy or proxies (other than the Chairman of the 2023 AGM) as indicated in the proxy form must be the same as those provided during the online registration, failing which, such appointment of proxy or proxies will be invalid.

Please refer to the notes in proxy form for more information and instructions on appointing proxy or proxies. Proxy form is made available in the Annual Report 2022 which is published on the Company's website at [yanlord.listedcompany.com/ar.html](http://yanlord.listedcompany.com/ar.html) and the Singapore Exchange's website at [sgx.com/securities/annual-reports-related-documents](http://sgx.com/securities/annual-reports-related-documents). The proxy form can also be downloaded via the pre-registration website at [go.lumiengage.com/yanlordagm2023](http://go.lumiengage.com/yanlordagm2023).

CPF and SRS investors who wish to vote on all or any of the Resolutions may (i) approach your respective CPF Agent Banks or SRS Operators **at least seven (7) working days before the 2023 AGM** to appoint the Chairman of the 2023 AGM as proxy and submit your votes; or (ii) vote live via electronic means at the 2023 AGM if you are appointed as proxy by your respective CPF Agent Banks or SRS Operators. CPF and SRS investors should contact your respective CPF Agents or SRS Operators if you have any queries regarding your appointment as proxy. For the avoidance of doubt, while CPF and SRS investors may yourself be appointed as proxy by your respective CPF Agent Bank or SRS Operator, CPF and SRS investors will not be able to appoint person(s) other than the Chairman of the 2023 AGM as proxy or proxies to vote live at the 2023 AGM on your behalf.

Shareholders holding Shares through Relevant Intermediaries who wish to vote on all or any of the Resolutions should approach the Relevant Intermediaries through which you hold such Shares as soon as possible for necessary arrangement.

### 4. Access to Documents or Information Relating to Business of the 2023 AGM

Documents relating to the business of the 2023 AGM including (i) the Annual Report 2022 containing this Notice of AGM and accompanying section of "Additional Information on Directors Seeking Re-election" as well as proxy form and (ii) the Appendix on Share Buyback Mandate are made available on the Company's website at [yanlord.listedcompany.com/ar.html](http://yanlord.listedcompany.com/ar.html), which may also be accessible via the Singapore Exchange's website at [sgx.com/securities/annual-reports-related-documents](http://sgx.com/securities/annual-reports-related-documents). You will need an internet browser and PDF reader to view and/or download these documents.

Like many other organisations, the Company has been working diligently towards conservation and preservation of natural resources for environmental sustainability. In line with this ongoing commitment, printed copies of documents relating to the business of the 2023 AGM will not be sent to Shareholders. Shareholders who wish to receive a printed copy of the Annual Report 2022 and/or the Appendix on Share Buyback Mandate, may send in your request to the Company by completing and returning the request form appended in the Annual Report 2022 (i) by post to the Company's registered office at 9 Temasek Boulevard, #36-02 Suntec Tower Two, Singapore 038989; or (ii) via email to [contact@yanlord.com.sg](mailto:contact@yanlord.com.sg) **no later than April 25, 2023**.

## NOTICE OF ANNUAL GENERAL MEETING

If multiple pre-registrations and proxy forms are submitted, the last pre-registration or proxy form received by the Company or its Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., will override the previous pre-registrations or proxy forms, and the confirmation email will only be sent to the authenticated Shareholders, or where applicable, the appointed proxy or proxies or authorised representative(s) as well as the CPF or SRS investors who are verified to be able to attend the 2023 AGM, as reflected in the last pre-registration, or where applicable, proxy form received.

*Shareholders, or where applicable, your authorised representative(s) or appointed proxy or proxies, as well as CPF and SRS investors must not forward email containing, among others, (i) the unique login credentials and the steps on how to access the live audio-visual webcast of the 2023 AGM proceedings, and (ii) the live audio-only dial-in numbers to listen to the 2023 AGM proceedings and other information set out therein to any other person. Recording of the 2023 AGM proceedings in whatever form is also strictly prohibited.*

The Company may be required to change the arrangements for the 2023 AGM at short notice if circumstance warrants it to do so due to the changing COVID-19 situation and/or pursuant to any legislative amendments and directives or guidelines from government agencies or regulatory authorities. Shareholders are advised to regularly check the Company's corporate website at [yanlord.listedcompany.com/newsroom.html](http://yanlord.listedcompany.com/newsroom.html) and/or any announcement to be released by the Company to the Singapore Exchange's website at [sgx.com/securities/company-announcements](http://sgx.com/securities/company-announcements) for updates on the 2023 AGM.

### **Personal Data Privacy:**

By registering and/or participating in the 2023 AGM and/or any adjournment thereof via electronic means, submitting an instrument appointing a proxy or proxies to vote at the 2023 AGM and/or any adjournment thereof, and/or submitting questions related to the Resolutions, a Shareholder (i) consents to the collection, use and disclosure of the Shareholder's personal data by the Company (or its agents or service providers) for the purpose of the verification, processing, administration and/or analysing by the Company (or its agents or service providers) of participants in the 2023 AGM, proxy or proxies appointed and representative(s) authorised for the 2023 AGM, votes cast at the 2023 AGM and/or questions related to the Resolutions (including any adjournment thereof) and the preparation, compilation and/or sending of the details and/or manner to participate the 2023 AGM by electronic means, votes cast at the 2023 AGM, responses to questions, attendance lists, minutes and other documents relating to the 2023 AGM (including any adjournment thereof), and in order for the Company (or its agents or service providers) to comply with any applicable laws, listing rules of the Singapore Exchange, take-over rules, regulations and/or guidelines (collectively, "Purposes"), (ii) warrants that where the Shareholder discloses the personal data of the Shareholder's proxy or proxies, representative(s), and if any, third parties to the Company (or its agents or service providers), the Shareholder has obtained the prior consent of such proxy or proxies, representative(s) and/or third parties for the collection, use and disclosure by the Company (or its agents or service providers) of the personal data of such proxy or proxies, representative(s) and/or third parties for the Purposes ("Warranty"), and (iii) agrees that the Shareholder will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the Shareholder's breach of Warranty.

In addition, the personal data of a Shareholder or, where applicable, your appointed proxy or proxies or authorised representative(s) (such as name, presence at the 2023 AGM and any questions raised or motions proposed/seconded) may be recorded by the Company during photographic, sound and/or video recordings of the 2023 AGM which will be made by the Company for record keeping and to ensure the accuracy of the minutes of the 2023 AGM and a Shareholder consents to the collection, use and disclosure of such personal data by the Company (or its agents or service providers) for such purpose.

## ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

Pursuant to Rule 720(6) and Appendix 7.4.1 of the Listing Manual of Singapore Exchange Securities Trading Limited (“Listing Manual”), the following are additional information of Directors who are seeking re-election at the forthcoming Annual General Meeting (“AGM”) of Yanlord Land Group Limited (“Company” and together with its subsidiaries, “Group”), which is to be read in conjunction with the respective Directors’ information set out under the “Profile of the Board of Directors” and “Directors’ Statement” sections of this annual report of the Company for the financial year ended December 31, 2022 (“Annual Report 2022”).

Name of Director Description	Hee Theng Fong	Teo Ser Luck	Zhong Sheng Jian
The comments of the Board of Directors of the Company (“Board”) on the re-election (including rationale, selection criteria, board diversity considerations, and the search and nomination process)	<p>The Board has considered various criteria and factors in its assessment and, after reviewing the recommendation of the Nominating Committee (“NC”), commented that Mr. Hee Theng Fong will continue to contribute and bring diversity to the Board, particularly, having regard to his professional qualifications which enable broaden and constructive debates within the Board while reducing risk of groupthink.</p> <p>The Board is satisfied that Mr. Hee Theng Fong remains independent and approved (and recommended to the shareholders) that Mr. Hee stands for re-election as a Director of the Company at the forthcoming AGM.</p>	<p>The Board has considered various criteria and factors in its assessment and, after reviewing the recommendation of the NC, commented that Mr. Teo Ser Luck will continue to contribute and bring diversity to the Board, particularly, having regard to his skillset and experiences that provide core competencies and bring well-balanced resources and skills to support the duty of the Board.</p> <p>The Board is satisfied that Mr. Teo Ser Luck remains independent and approved (and recommended to the shareholders) that Mr. Teo stands for re-election as a Director of the Company at the forthcoming AGM.</p>	<p>The Board has considered various criteria and factors in its assessment and, after reviewing the recommendation of the NC, commented that Mr. Zhong Sheng Jian will continue to contribute and bring diversity to the Board, particularly, having regard to his extensive industrial experience and significant role in the development of the Group which enable strategic and effective oversight of the business of the Group.</p> <p>The Board approved (and recommended to the shareholders) that Mr. Zhong Sheng Jian stands for re-election as a Director of the Company at the forthcoming AGM.</p>
Please refer to Principle 4 under the “Corporate Governance” section of this Annual Report 2022 for more details on the criteria and considerations have been taken into account in, and the process of, nominating the above Directors for re-election.			
Conflict of interest (including any competing business)	Huazhu Group Limited – multi-brand hotel group (leased and owned, franchised, and franchised hotels that operate under management contracts) in the People’s Republic of China.	None	None



## ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

Name of Director Description	Hee Theng Fong	Teo Ser Luck	Zhong Sheng Jian
Undertaking (in the format set out in Appendix 7.7) under Rule 720(1) of the Listing Manual has been submitted to the Company	Yes	Yes	Yes
Other principal commitments including directorships for past 5 years and present	<p><u>Present:</u></p> <ol style="list-style-type: none"> <li>1. Straco Corporation Limited</li> <li>2. Haidilao International Holding Ltd.</li> <li>3. China Aviation Oil (Singapore) Corporation Ltd</li> <li>4. Huazhu Group Limited</li> <li>5. Singapore Medishield Life Council</li> <li>6. Green Link Digital Bank Pte. Ltd.</li> <li>7. The Arbitration Chambers</li> </ol> <p><u>Past 5 years:</u></p> <ol style="list-style-type: none"> <li>1. APAC Realty Limited</li> <li>2. First Resources Limited</li> <li>3. Tye Soon Limited</li> <li>4. Zheneng Jinjiang Environment Holding Company Limited</li> <li>5. Citizenship Committee of Inquiry</li> <li>6. Harry Elias Partnership LLP</li> </ol>	<p><u>Present:</u></p> <ol style="list-style-type: none"> <li>1. BRC Asia Limited</li> <li>2. Serial System Ltd</li> <li>3. Straco Corporation Limited</li> <li>4. China Aviation Oil (Singapore) Corporation Ltd</li> <li>5. Super Hi International Holding Ltd.</li> <li>6. Institute of Singapore Chartered Accountants</li> </ol> <p><u>Past 5 years:</u></p> <ol style="list-style-type: none"> <li>1. United Engineers Limited</li> <li>2. MindChamps PreSchool Limited</li> <li>3. Singapore Member of Parliament</li> </ol>	Nil
Answer to information required / questions (a) to (k) listed in Appendix 7.4.1 (Announcement of Appointment) of the Listing Manual	No	No	No

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# YANLORD LAND GROUP LIMITED

(Incorporated in the Republic of Singapore)  
Company Registration No. 200601911K

## PROXY FORM 2023 ANNUAL GENERAL MEETING

### IMPORTANT:

- The 2023 Annual General Meeting is being convened and will be held by way of electronic means pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020. Printed copies of the notice of the 2023 Annual General Meeting dated April 5, 2023 ("Notice") and this Proxy Form will not be sent to shareholders of the Company ("Shareholders"). The annual report of the Company for the financial year ended December 31, 2022 ("Annual Report 2022") containing the Notice and this Proxy Form is made available on the Company's website at [yanlord.listedcompany.com/ar.html](http://yanlord.listedcompany.com/ar.html) and the Singapore Exchange's website at [sgx.com/securities/annual-reports-related-documents](http://sgx.com/securities/annual-reports-related-documents).
- Details of alternative arrangements in respect of the 2023 Annual General Meeting, including arrangements on registration and participation in the 2023 Annual General Meeting via live audio-visual webcast or live audio-only stream, submission of relevant questions in advance of or live and online (in real time) during the 2023 Annual General Meeting, voting live via electronic means or by submitting this Proxy Form to authorise proxy/proxies to vote on a Shareholder's behalf and availability of documents or information relating to the business of the 2023 Annual General Meeting, are set out in the Notice.
- Shareholders who wish to appoint proxy/proxies to exercise voting rights on the Shareholders' behalf at the 2023 Annual General Meeting must also provide particulars of the appointed proxy/proxies (other than the Chairman of the 2023 Annual General Meeting) to the Company during the online registration at [go.lumiengage.com/yanlordagm2023](http://go.lumiengage.com/yanlordagm2023), in addition to submitting this Proxy Form.**
- CPF and SRS investors, who wish to vote on all or any resolutions to be proposed at the 2023 Annual General Meeting, may approach your respective CPF Agent Banks/SRS Operators at least seven (7) working days before the 2023 Annual General Meeting to appoint the Chairman of the 2023 Annual General Meeting as proxy and submit your votes; or may vote live via electronic means at the 2023 Annual General Meeting if you are appointed as proxy by your respective CPF Agent Banks/SRS Operators, and should contact your respective CPF Agent Banks/SRS Operators if you have any queries regarding your appointment as proxy.
- By submitting this Proxy Form, the Shareholder accepts and agrees to the personal data privacy terms set out in the Notice.
- Please read the notes overleaf for further instructions and details.**

I/We (Name) \_\_\_\_\_ (NRIC/Passport/Company Registration No.) \_\_\_\_\_

of (Address) \_\_\_\_\_

being a shareholder/shareholders of Yanlord Land Group Limited ("Company"), hereby appoint

Name	Email Address	NRIC/Passport Number	Proportion of Shareholdings	
			Number of Shares	%

and/or (delete as appropriate)

Name	Email Address	NRIC/Passport Number	Proportion of Shareholdings	
			Number of Shares	%

or failing him/her/they, the Chairman of the 2023 Annual General Meeting as my/our proxy/proxies to attend, speak and vote for me/us on my/our behalf at the 2023 Annual General Meeting to be convened and held by way of electronic means on Friday, April 28, 2023 at 2.00 p.m. (Singapore Time) and at any adjournment thereof.

I/We direct my/our proxy/proxies to vote for or against, or to abstain from voting the resolutions to be proposed at the 2023 Annual General Meeting as indicated hereunder.

No.	Ordinary Resolutions	For*	Against*	Abstain*
<b>ROUTINE BUSINESS</b>				
1	Adoption of Directors' Statement, Audited Financial Statements and Auditor's Report			
2	Approval of Directors' Fees			
3a	Re-election of Mr. Hee Theng Fong as Director			
3b	Re-election of Mr. Teo Ser Luck as Director			
3c	Re-election of Mr. Zhong Sheng Jian as Director			
4	Re-appointment of Auditors and Authority for Directors to Fix Their Remuneration			
<b>SPECIAL BUSINESS</b>				
5	Authority for Directors to Issue Shares and/or Make or Grant Instruments Convertible into Shares			
6	Approval of Renewal of Share Buyback Mandate			

\* Voting will be conducted by poll. If you wish your proxy/proxies to exercise, on your behalf, all your votes "For" or "Against" a resolution or "Abstain" from voting, please tick (v) within the relevant box provided in respect of that resolution. Alternatively, please indicate the number of votes that your proxy/proxies is/are directed to vote "For" or "Against" a resolution or "Abstain" from voting within the relevant box provided, as appropriate. **In the absence of specific directions to vote in respect of a resolution, the proxy/proxies (or failing him/her/they, the Chairman of the 2023 Annual General Meeting) may vote or abstain from voting at his/her/their discretion.**

Dated this \_\_\_\_\_ day of \_\_\_\_\_ 2023

Total number of ordinary shares held \_\_\_\_\_

Signature(s) of Shareholder(s)/Authorised Personnel  
or Common Seal of Corporate Shareholder

**IMPORTANT: PLEASE READ NOTES OVERLEAF**

# PROXY FORM

Affix  
Stamp  
Here

**YANLORD LAND GROUP LIMITED**  
**c/o BOARDROOM CORPORATE & ADVISORY SERVICES PTE. LTD.**  
1 Harbourfront Avenue  
Keppel Bay Tower, #14-07  
Singapore 098632

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## NOTES TO PROXY FORM:

1. Please insert the total number of ordinary shares in the Company held by you. If you have ordinary shares in the Company entered against your name in the Depository Register (as defined in Section 81SF of the Securities and Future Act 2001 of Singapore), you should insert that number. If you have ordinary shares in the Company registered in your name in the Register of Members of the Company, you should insert that number. If you have ordinary shares in the Company entered against your name in the Depository Register and registered in your name in the Register of Members of the Company, you should insert the aggregate number. If no number is inserted, this Proxy Form will be deemed to relate to all the ordinary shares in the Company held by you.
2. This Proxy Form must, in the case of an individual, be signed by the appointor or his/her attorney duly authorised in writing. Where a Proxy Form is executed by a corporate shareholder, it must be executed either under its common seal (or as an alternative to sealing, be signed in any manner set out in Section 41B(1) of the Companies Act 1967 of Singapore ("Act")) or signed by attorney, officer(s)/representative(s) duly authorised.
3. The particulars of appointed proxy/proxies (other than the Chairman of the 2023 AGM) as indicated in this Proxy Form must be the same as those provided during the online registration at [go.lumiengage.com/yanlordagm2023](http://go.lumiengage.com/yanlordagm2023), failing which, such appointment of proxy/proxies will be invalid.
4. This Proxy Form (together with a copy of the letter or power of attorney, the resolutions authorising its officer(s) or the certificate appointing representative(s), if any) must be submitted (i) via email to AGM@yanlord.com.sg; or (ii) by post to the office of the Company's Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., at 1 Harbourfront Avenue, Keppel Bay Tower, #14-07, Singapore 098632, in either case, not less than 72 hours before the time fixed for holding the 2023 Annual General Meeting, i.e. **by April 25, 2023 no later than 2.00 p.m.**
5. A proxy need not be a Shareholder.
6. (i) A Shareholder who is not a Relevant Intermediary is entitled to appoint not more than two proxies, and where such Shareholder's Proxy Form appointing more than one proxy, and not either one of them be appointed to exercise all the Shareholder's votes, the proportion of the shareholding concerned to be represented by each proxy shall be specified in the Proxy Form.  
(ii) A Shareholder who is a Relevant Intermediary is entitled to appoint more than two proxies, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such Shareholder. Where such Shareholder's Proxy Form appoints more than two proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the Proxy Form.  
"Relevant Intermediary" shall have the meaning ascribed to it in Section 181 of the Act.
7. The Company shall be entitled to reject a Proxy Form which is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the Proxy Form (including any related attachment). In addition, in the case of ordinary shares entered in the Depository Register, the Company may reject a Proxy Form if the Shareholder, being the appointor, is not shown to have ordinary shares in the Company entered against his/her/its name in the Depository Register as at 72 hours before the time fixed for holding the 2023 Annual General Meeting, as certified by The Central Depository (Pte) Limited to the Company.
8. This Proxy Form can be found in the Annual Report 2022 which is published on the Company's website at [yanlord.listedcompany.com/ar.html](http://yanlord.listedcompany.com/ar.html) and the Singapore Exchange's website at [sgx.com/securities/annual-reports-related-documents](http://sgx.com/securities/annual-reports-related-documents), or can be downloaded at [go.lumiengage.com/yanlordagm2023](http://go.lumiengage.com/yanlordagm2023).



# REQUEST FORM

**To: YANLORD LAND GROUP LIMITED**

Name of Shareholder:	
Mailing Address:	
Please send me/us a printed copy of: <i>(Please tick (✓) within the relevant box provided below.)</i>	
<input type="checkbox"/>	Annual Report for the Financial Year Ended December 31, 2022 ("Annual Report 2022")
<input type="checkbox"/>	Appendix to the Notice of Annual General Meeting containing a Letter to Shareholders dated April 5, 2023 in relation to the Proposed Renewal of Share Buyback Mandate ("Appendix")

Date: \_\_\_\_\_

## Notes:

1. Shareholders who wish to receive a printed copy of the Annual Report 2022 and/or the Appendix should complete and return this Request Form (i) by post to us at 9 Temasek Boulevard, #36-02 Suntec Tower Two, Singapore 038989; or (ii) via email to [contact@yanlord.com.sg](mailto:contact@yanlord.com.sg), no later than **April 25, 2023**.
2. We regret that a Request Form which is incomplete, improperly completed or illegible will not be processed.
3. This Request Form is valid only for the printed copy of Annual Report 2022 and the Appendix.
4. By completing and returning this Request Form to us, you agree and acknowledge that Yanlord Land Group Limited and/or any of its service providers may collect, use, disclose and/or process your personal data, as contained in your submitted Request Form or which is otherwise collected from you (or your authorised representative(s)), for the purpose of processing and effecting your request.



Fold this flap for sealing

Affix  
Stamp  
Here

**YANLORD LAND GROUP LIMITED**

9 Temasek Boulevard  
#36-02 Suntec Tower Two  
Singapore 038989

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# CORPORATE INFORMATION

## BOARD OF DIRECTORS

### **Zhong Sheng Jian**

Chairman and Chief Executive Officer

### **Zhong Siliang**

Executive Director

### **Zhong Ming**

Executive Director

### **Zhong Iek Ka**

Executive Director

### **Hee Theng Fong**

Lead Independent Director

### **Hong Pian Tee**

Independent Non-Executive Director

### **Teo Ser Luck**

Independent Non-Executive Director

### **Chua Taik Him**

Independent Non-Executive Director

### **Tan Chin Siong**

Independent Non-Executive Director

## AUDIT COMMITTEE

Hong Pian Tee, Chairman

Hee Theng Fong

Teo Ser Luck

Chua Taik Him

Tan Chin Siong

## NOMINATING COMMITTEE

Tan Chin Siong, Chairman

Hee Theng Fong

Teo Ser Luck

Zhong Sheng Jian

## REMUNERATION COMMITTEE

Teo Ser Luck, Chairman

Hong Pian Tee

Chua Taik Him

Tan Chin Siong

## RISK MANAGEMENT AND SUSTAINABILITY COMMITTEE

Chua Taik Him, Chairman

Hee Theng Fong

Hong Pian Tee

Zhong Sheng Jian

## COMPANY SECRETARY

Sau Ean Nee

## GROUP FINANCIAL CONTROLLER

Chan Chi Wai, Jim

## REGISTERED OFFICE

9 Temasek Boulevard

#36-02 Suntec Tower Two

Singapore 038989

Tel: (65) 6336 2922

Fax: (65) 6238 6256

Email: [contact@yanlord.com.sg](mailto:contact@yanlord.com.sg)

## WEBSITE

[www.yanlordland.com](http://www.yanlordland.com)

## AUDITORS

Deloitte & Touche LLP

6 Shenton Way, OUE Downtown 2

#33-00

Singapore 068809

Partner-in-charge: Seah Gek Choo

(Appointed on June 29, 2020)

## SHARE REGISTRAR AND TRANSFER OFFICE

Boardroom Corporate & Advisory Services Pte. Ltd.

1 Harbourfront Avenue

Keppel Bay Tower #14-07

Singapore 098632

## PRINCIPAL BANKERS

Bank of Communications Co., Ltd.

Bank of Shanghai Co., Ltd.

China CITIC Bank International Limited

China Merchants Bank Co., Ltd.

CMB Wing Lung Bank Limited

DBS Bank Ltd.

Hang Seng Bank Limited

Oversea-Chinese Banking Corporation Limited

Shanghai Pudong Development Bank Co., Ltd.

Standard Chartered Bank Limited

The Hongkong and Shanghai Banking Corporation Limited

## STOCK EXCHANGE LISTING

Singapore Exchange Securities Trading Limited

## DATE AND COUNTRY OF INCORPORATION

February 13, 2006, Singapore



仁恒  
YANLORD

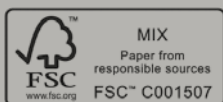
## YANLORD LAND GROUP LIMITED

仁恒置地集团有限公司

Registration No. 200601911K

9 Temasek Boulevard  
#36-02 Suntec Tower Two  
Singapore 038989  
Tel: (65) 6336 2922  
Fax: (65) 6238 6256

[www.yanlordland.com](http://www.yanlordland.com)



This annual report has been produced by a printer certified according to the standards from the Forest Stewardship Council™ (FSC™), and has been printed on environmentally-friendly paper in accordance to the FSC standard.