



YANLORD LAND GROUP LIMITED

ANNUAL REPORT  
2021

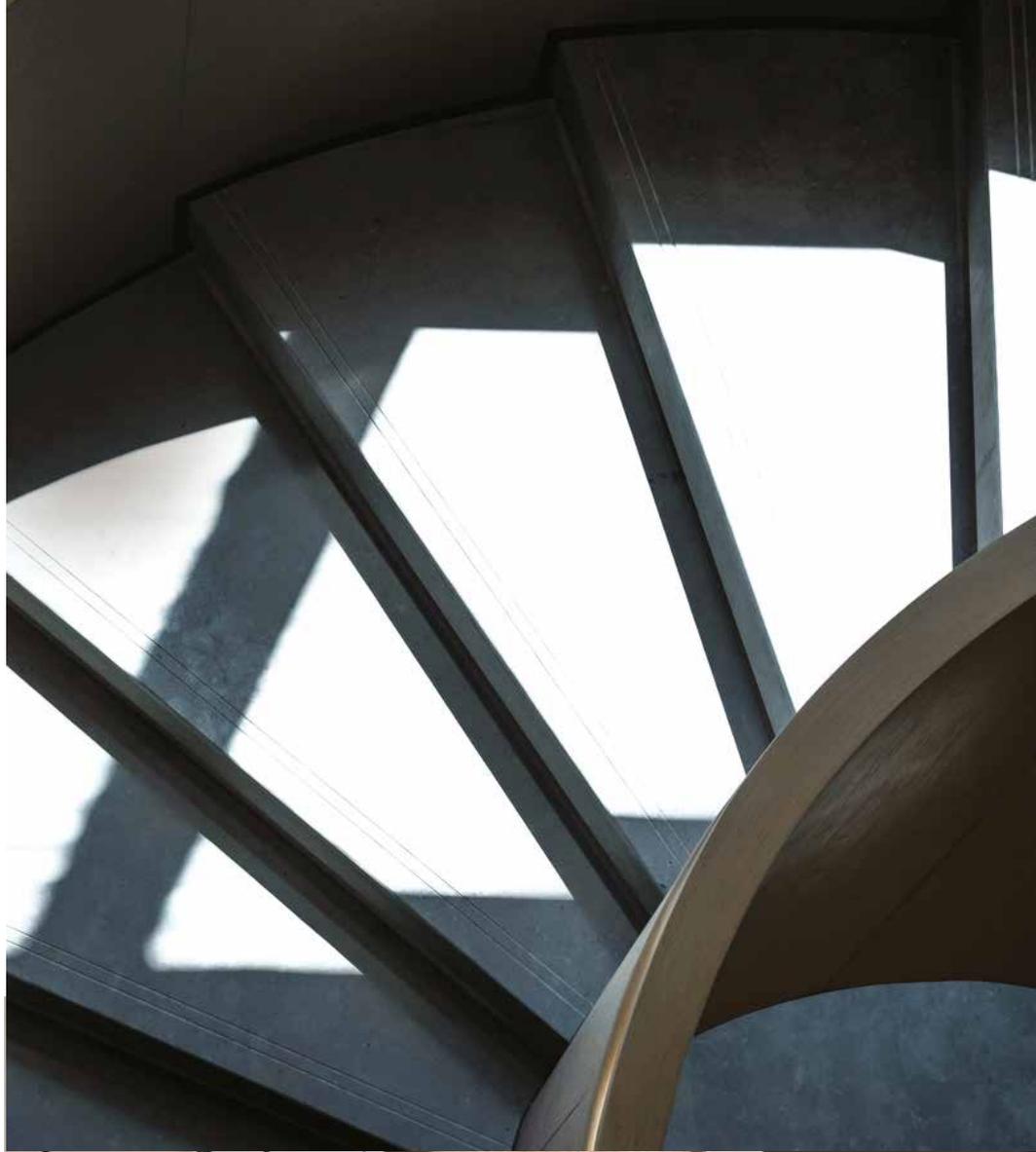
ABLE



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Cover image:  
Yanlord Arcadia, Shanghai, PRC  
仁恒海上源, 上海, 中国



Changing times continue to test abilities to stay the course and rise above challenges.

Yanlord is **ABLE** to pave the way ahead by building on its strengths – being adaptable, dependable and sustainable – to enhance value for its stakeholders in every way.

# ADAPT<sup>A</sup>BLE



Hangzhou Bay (Phase 2), Hangzhou, PRC  
前湾·畅想江澜湾, 杭州, 中国



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

善待土地

用心造好房

# DEPENDABLE

CORPORATE PHILOSOPHY

Developing land with  
devotion, building quality  
accommodation with passion

仁信治业  
持之以恒

Leedon Green, Singapore  
绿墩雅苑, 新加坡

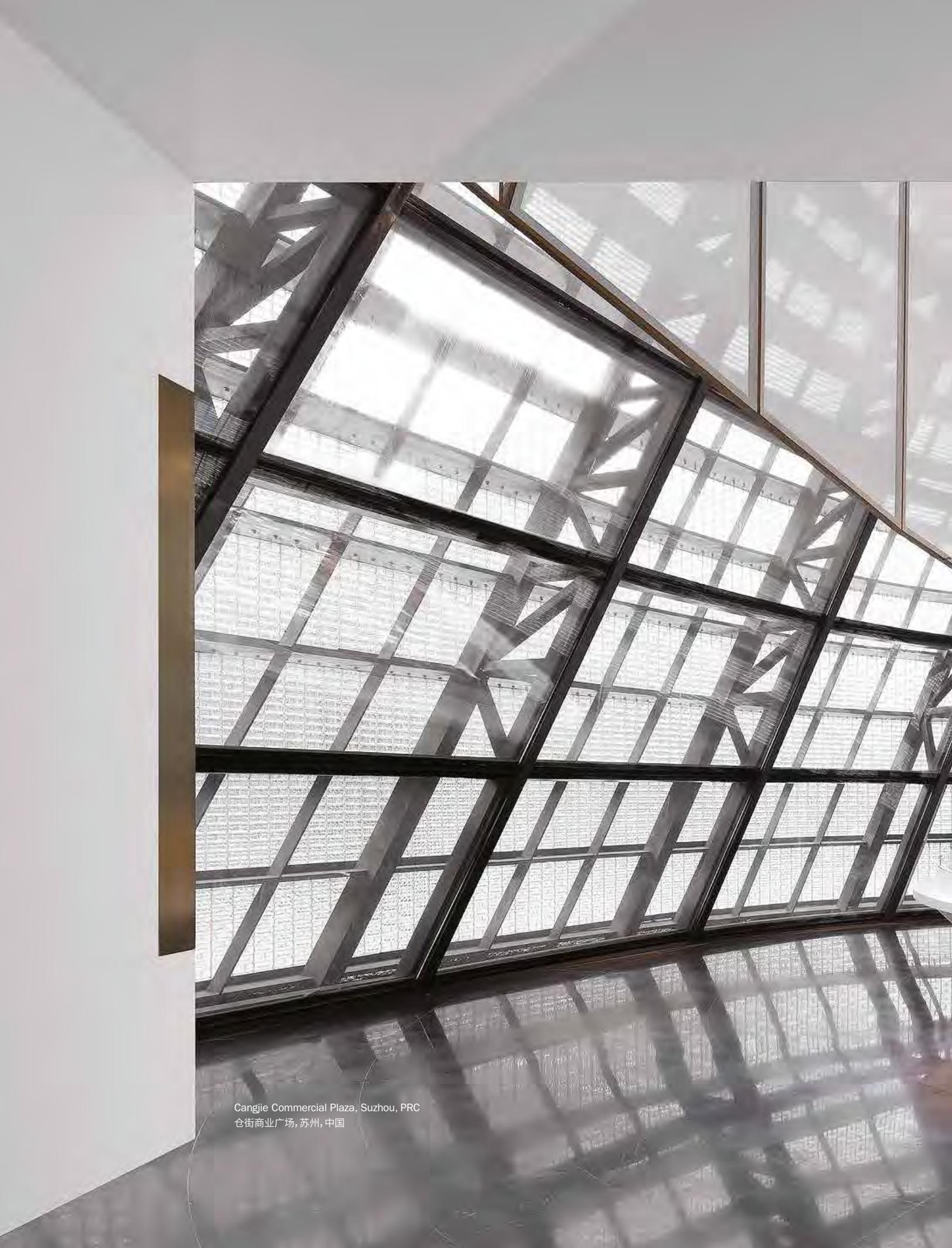


MISSION STATEMENT

Managing with  
benevolence and integrity,  
achieving perpetuity through  
perseverance

**SUSTAINABLE**





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



## ABOUT YANLORD

Yanlord Land Group Limited (“Yanlord” or “Company” and together with its subsidiaries, “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. Yanlord 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 two residential projects under development, namely Leedon Green and Dairy Farm Residences.

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, 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, in the PRC. Through the acquisition of then another Singapore Exchange-listed company – United Engineers Limited (“UEL”), the Group holds a high-quality investment property portfolio and hotels in Singapore, including 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 increase the asset value for the Group.

Through UEL, the Group expands its footprint into various businesses internationally.

## 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 PRC.

### 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.



## 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.

## OTHER NON-PROPERTY BUSINESS

Through UEL, 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 PRC and in United Kingdom serving customers internationally. In United States, Speedling operates greenhouses supplying vegetable and ornamental seedlings and horticultural products.

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



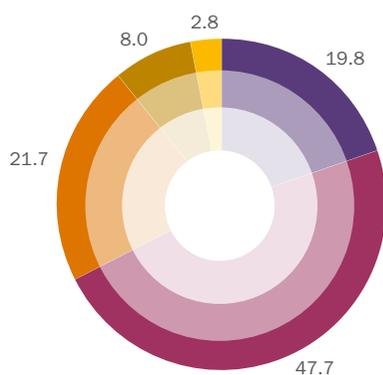
## KEY HIGHLIGHTS

For the Financial Year Ended December 31, 2021 (“FY 2021”)

### KEY NUMBERS

Total property contracted pre-sales <sup>1</sup> (RMB billion)	59.587
Total property contracted pre-sales <sup>1</sup> (GFA million sqm)	1.9
Total contracted average selling price <sup>1</sup> (RMB/sqm)	31,889
Total accumulated property contracted pre-sales amount pending recognition <sup>2</sup> (RMB billion)	98.219
Total accumulated property contracted pre-sales GFA pending recognition <sup>2</sup> (GFA million sqm)	2.9
Total revenue (RMB billion)	34.833
Gross profit margin (%)	25.6
Profit attributable to owners of the Company (RMB billion)	2.656
Dividend per ordinary share (SGD cents)	6.8
Total assets <sup>2</sup> (RMB billion)	154.448
Cash and cash equivalents <sup>2</sup> (RMB billion)	21.552
Net debt <sup>2</sup> (RMB billion)	21.489
Net gearing ratio <sup>2</sup> (%)	49.0
Average cost of borrowings (%)	4.9
Net asset value per share <sup>2</sup> (RMB)	17.75
Net asset value per share (equivalent to S\$) <sup>2,3</sup>	3.76

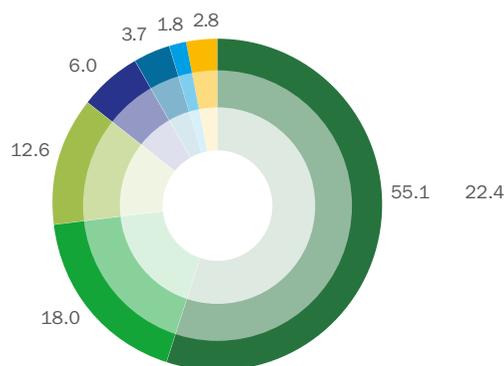
**LANDBANK DISTRIBUTION  
IN PRC\* AND SINGAPORE<sup>1,2</sup>**  
(%)



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

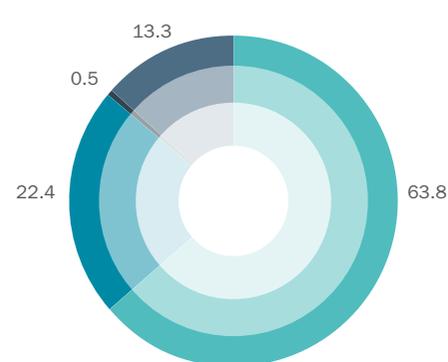
\* Cities are classified based on the list of tiered Chinese cities on baike.baidu.com

**LANDBANK DISTRIBUTION  
PRC SIX REGIONS 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

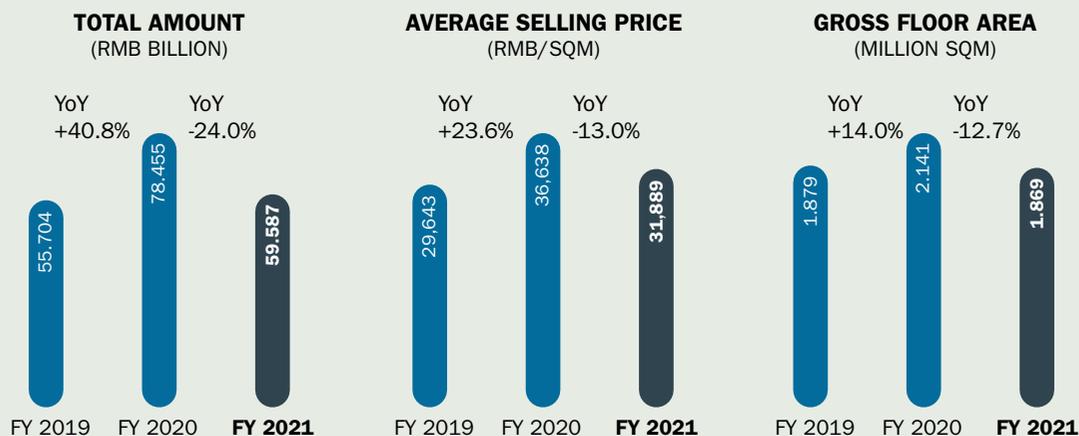
#### Notes:

<sup>1</sup> The Group together with its joint ventures and associates

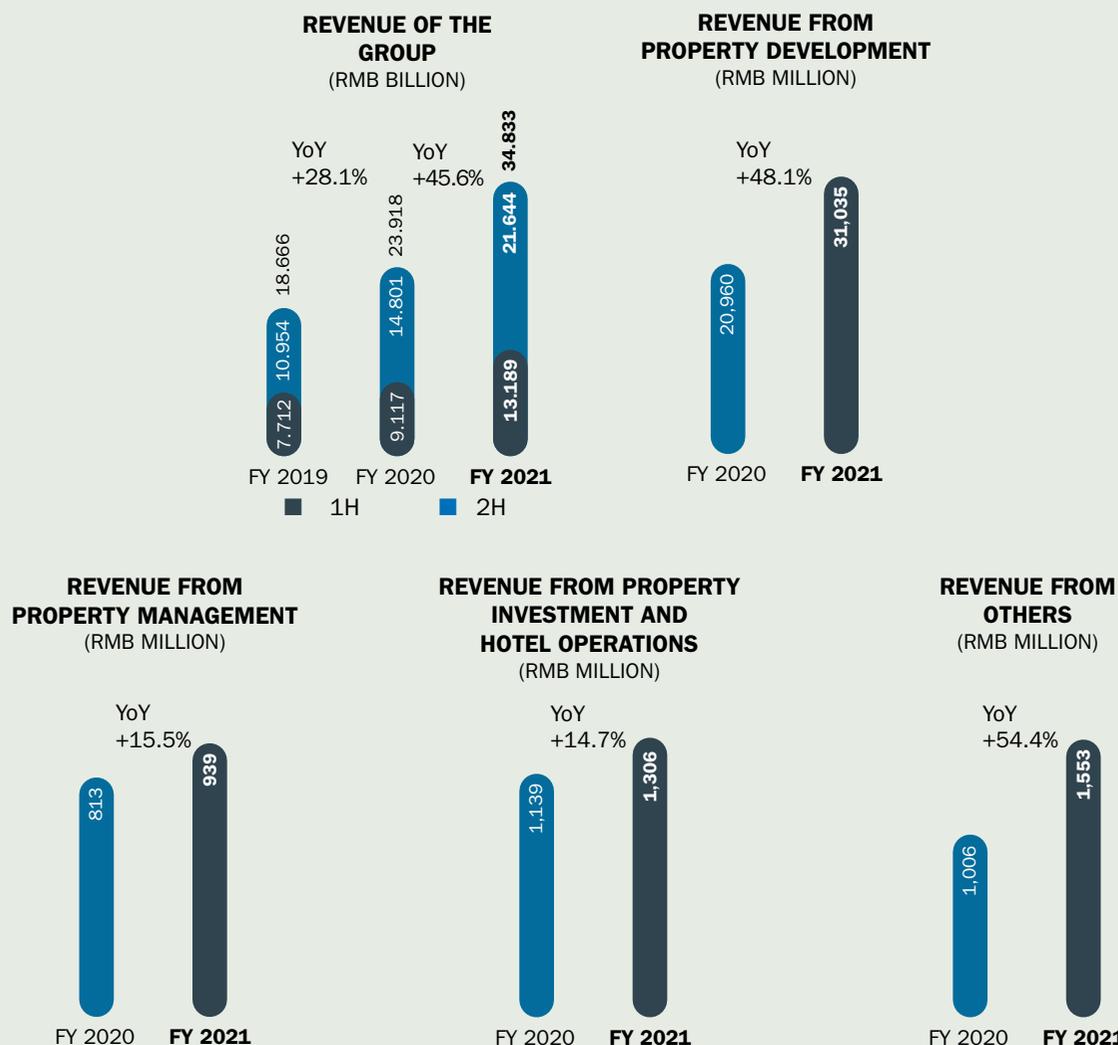
<sup>2</sup> As at December 31, 2021

<sup>3</sup> The equivalent in S\$ was calculated at an exchange rate of S\$1: RMB4.7179

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



### SEGMENT REVENUE DISTRIBUTION



#### Notes:

<sup>1</sup> The Group together with its joint ventures and associates

<sup>2</sup> In this page, YoY means year-on-year

**PROJECT SHOWCASE -**  
**Project of the Year:**  
**Yanlord Arcadia,**  
**Shanghai, PRC**  
仁恒海上源, 上海, 中国





Yanlord Arcadia, together with WJID, won the “ELLE DECORATION” China Interior Design Award and was included in the “2022 China Interior Design Yearbook”.

仁恒海上源携手WJID维几设计，荣膺《ELLE DECORATION家居廊》中国室内设计大奖，并收录至《2022中国室内设计年鉴》。

Yanlord Arcadia's demonstration zone was awarded “Outstanding Interior Design of 2021” by Best Of Property Winner, BOP.

仁恒海上源示范区荣膺BOP星筑国际地产大奖“2021年度杰出室内设计”。

Yanlord Arcadia won the “Best Real Estate Design Award - Gold Award” in GBE Real Estate Design Awards 2021-2022.

仁恒海上源荣膺GBE地产设计大奖2021-2022年度“最佳地产设计大奖金奖”。





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

## MAJOR LAUNCHES OF PROPERTY CONTRACTED PRE-SALES IN 2021

● Hangzhou Bay (Phase 2), Hangzhou, PRC  
前湾·畅想江澜湾, 杭州, 中国



● The Mansion in Park, Jinan, PRC  
仁恒奥体公园世纪, 济南, 中国

● Leedon Green, Singapore  
绿墩雅苑, 新加坡



● Yanlord Central Lake, Taicang, PRC  
仁恒时代天镜, 太仓, 中国





**CHAIRMAN'S  
STATEMENT**

Yanlord has been focusing on quality of products and services to meet the ever-changing and evolving needs of its customers, so as to distinguish itself from the other market players. Yanlord has been keeping up its regional investment and product positioning in a relatively focused manner.

**ZHONG SHENG JIAN**

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

**Dear Shareholders,**

Through presenting the annual results of Yanlord Land Group Limited (“Yanlord” or “Company” and together with its subsidiaries, “Group”) for the financial year ended December 31, 2021 (“FY 2021”), I am pleased to share with shareholders of the Company the business strategies supporting the Group’s operating figures of FY 2021, as well as the future development direction of the Group.

Yanlord has been focusing on quality of products and services to meet the ever-changing and evolving needs of its customers, so as to distinguish itself from the other market players. Yanlord has been keeping up its regional investment and product positioning in a relatively focused manner. In Singapore, Yanlord, through its subsidiary, United Engineers Limited (“UEL” and together with its subsidiaries, “UEL Group”), holds a portfolio of high-quality commercial, office, serviced apartment and hotel properties, as well as residential developments in prime locations, expanding the Group’s long-term investment in Singapore. In the People’s Republic of China (“PRC”), Yanlord has continuously increased its investment in the Yangtze River Delta region, especially in Jiangsu province, being one of the major economic provinces of the country. Yanlord’s high-quality developments and premium services are highly sought after by homeowners looking to upgrade.

**YANLORD ARCADIA IN SHANGHAI WAS FULLY SOLD OUT ON THE DAY OF ITS INAUGURAL LAUNCH GARNERING PROPERTY PRE-SALES OF RMB5.075 BILLION**

In 2021, Yanlord’s major new project launches and new batch releases for existing projects were relatively concentrated in the fourth quarter. Yanlord Arcadia in Shanghai first launched

with a total of 299 high-rise apartment units, was fully sold out on the day of its inaugural launch in November 2021, garnering over RMB5.075 billion of property pre-sales. In addition, Yanlord’s projects in Hangzhou and Nanjing were also sold out on the respective day of launches. Launches in newly-entered cities, Shenyang and Wuxi, also recorded outstanding sales performance compared to their peer-projects. Through these launches, Yanlord recorded strong sales performance in fourth quarter of 2021 with property contracted pre-sales reaching RMB22.817 billion amidst a relatively volatile market, an increase of 182.2% compared to the third quarter of 2021.

**TOTAL PROPERTY CONTRACTED PRE-SALES FOR FY 2021 WAS RMB77.713 BILLION**

For FY 2021, the property contracted pre-sales of the Group together with its joint ventures and associates from residential and commercial units, and car parks was RMB59.587 billion on contracted gross floor area (“GFA”) of approximately 1.87 million square metres (“sqm”). In which, Yanlord’s residential developments in Singapore performed well with a sales contribution of close to SGD900 million (equivalent to approximately RMB4.334 billion), a testament to the well implementation of Yanlord’s strategic investment in Singapore. Together with the property contracted pre-sales of other property development projects under the Group’s project management business bearing the “Yanlord” brand name for FY 2021 of RMB18.126 billion on contracted GFA of 376,623 sqm, the total property contracted pre-sales for FY 2021 reached RMB77.713 billion on a total GFA of approximately 2.25 million sqm.

## SET NEW RECORD OF TOTAL PROPERTIES DELIVERED, PROFIT FOR THE YEAR INCREASED BY 10.5% TO RMB4.037 BILLION FOR FY 2021

All four main business segments of Yanlord recorded revenue growth in FY 2021. The Group's revenue in FY 2021 was RMB34.833 billion, an increase of 45.6% compared to the financial year ended December 31, 2020 ("FY 2020"), of which, RMB31.035 billion was contributed from property development, RMB1.306 billion from property investment and hotel operations, RMB939 million from property management and the remaining RMB1.553 billion from other segments, representing an increase of 48.1%, 14.7%, 15.5% and 54.4% compared to FY 2020, respectively.

For FY 2021, the Group together with its joint ventures and associates delivered residential and commercial units with a total GFA of 2.06 million sqm and 10,510 units of carparks to its customers, an increase of 140.2% and 113.5% compared to FY 2020, setting a new record of total properties delivered in a year. The total gross revenue from property sales recognised for FY 2021 was RMB65.102 billion, an increase of 160.4% compared to FY 2020, of which, RMB31.077 billion was recognised as the gross revenue of the Group and RMB34.025 billion was recognised as the gross revenue of the joint ventures and associates.

Profit for the year of the Group in FY 2021 was RMB4.037 billion, an increase of 10.5% compared to FY 2020, mainly attributable to increase in gross profit and share of profit from joint ventures as well as decrease in finance cost, partly offset by decrease in other operating income and other gains and fair value gain on investment properties during FY 2021.

## PRUDENT FINANCIAL MANAGEMENT

Yanlord has been managing its financial and liquidity prudently. As at December 31, 2021, the Group's total assets increased by 5.4% to RMB154.448 billion; cash and cash equivalents increased by 25.3% to RMB21.552 billion with net gearing ratio decreased by 14.2 percentage points to 49.0%, compared to December 31, 2020.

## GROWING RECURRING INCOME FROM PROPERTY INVESTMENT AND HOTEL OPERATIONS WITH HOLDING OF PREMIUM INVESTMENT PROPERTY PORTFOLIO IN SINGAPORE

For FY 2021, the total revenue from property investment and hotel operations of the Group increased by 14.7% to RMB1.306 billion over FY 2020. The increase was mainly attributable to the increase in income from hotel operations in Sanya and Zhuhai, as well as the completion of refurbishment works and re-opening of Yanlord Riverside Plaza (Phase 1) shopping mall in Tianjin. In Singapore, occupancy rates of UE BizHub CITY and UE BizHub TOWER continued to hold up well at around 90%, and UE BizHub CENTRAL and UE BizHub WEST achieved stable occupancies with positive rental reversion. Owing to long-lease business travellers and more multinational companies setting up operations in Singapore, serviced apartments at Park Avenue Clemenceau and Park Avenue Robertson performed well with occupancy rates retained around 85%. During the year, riding on the strength and management expertise of UEL Group's "Park Avenue" serviced apartment brand, the Group launched the "ParcVue" brand name for its serviced apartment and hotel in the PRC, with its first opening in the Sino-Singapore Nanjing Eco Hi-tech Island. New series of product lines under this brand name are planned to be opened in Yancheng, Shenyang and Shanghai, creating synergistic effect with the property development business.

In addition to recurring income, the Group will consider refurbishing and re-developing its various freehold properties located in prime locations in Singapore to enhance their overall value. Over the past few years, Singapore's centrally located freehold properties have become scarce in supply and have continued to rise in value, offering shareholders the potential for lucrative returns. At the same time, UEL Group's non-property business located in various countries continued to develop in their respective fields and have posted business growth and profit in FY 2021.

## DEVELOPMENT STRATEGIES AND LAND ACQUISITIONS

Looking at the key operating data of the Group's performance in the challenging year of 2021, Yanlord firmly believes that its focus strategy to concentrate on regional investment and high-end product positioning on the backdrop of the changing real estate market is a best fit, and will support the Group's sustainable development, to realising brand appreciation and business development. On this basis, complemented by high-quality operating assets and long-term stable management services income, Yanlord can better navigate market risks and seize development opportunities.

In line with this strategic direction, in FY 2021, the Group together with its joint ventures and associates acquired a total of 12 new projects mainly located in Yangtze River Delta region, including Shanghai and Suzhou, as well as Wuxi and Yangzhou, being two newly-entered cities. As at December 31, 2021, the Group together with its joint ventures and associates held a total GFA of approximately 9.924 million sqm of landbank in the prime location in 20 high-growth cities located in the six major economic regions of PRC and in Singapore; of which, approximately 55.1% located in the Yangtze River Delta, and 18.0% in the Greater Bay Area.

## OUTLOOK

Driven by urbanisation and economic globalisation, the real estate industry in the PRC has been developing rapidly for nearly 30 years, with per capita living area reaching 40 sqm. In light of the ongoing competition for quality resources allocation among cities, and people continuing to pursue development opportunities as part of the next stage of urbanisation, the prospect of the world's most populous country remains considerable.

During the epidemic, the continued influx of people into the first and second-tier cities of PRC, Singapore and other developed regions with continued economic development shows that real estate demand remains keen and the upgrade-housing demand in the high-end market is a growth opportunity for real estate companies in the next phase.

Yanlord's "quality product" positioning since its inception and its long-established product and service system, pragmatic management style, and solid cooperative partner style and customer base will continue to be its competitive edge to compete for future market opportunities. Yanlord will continue to maintain a prudent financial strategy and business policy to ensure its product quality and market competitiveness.

## RMB98.219 BILLION OF ACCUMULATED PROPERTY CONTRACTED PRE-SALES PENDING RECOGNITION

As at December 31, 2021, the Group together with its joint ventures and associates recorded an accumulated property contracted pre-sales of RMB98.219 billion on a total GFA of 2.9 million sqm, which are pending recognition in the first half of financial year ending December 31, 2022 and beyond. Following the strong market responses for Yanlord's property pre-sales launched in late 2021, the Group continued to launch new developments for pre-sales in January 2022, including the inaugural launch of apartment units at Poetic Villa and the new batch launch of Yanlord Arcadia in Shanghai,

garnering strong sales performance totalling RMB7.183 billion with all units launched sold on the day of launch for both projects. In January 2022, the Group together with its joint ventures and associates' property contracted pre-sales amounting to RMB9.807 billion, an increase of 87.7% compared to January of 2021.

Barring any significant deterioration in the global economy and any other unforeseen circumstances, the board of directors of the Company ("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

The Board is recommending a final tax-exempt dividend of 6.8 Singapore cents (equivalent to approximately 32.75 Renminbi cents) per ordinary share of the Company in respect of FY 2021, representing a dividend payout ratio of 23.8% of FY 2021 profit attributable to owners of the Company. The dividend is subject to shareholders' approval at the Company's forthcoming Annual General Meeting scheduled to be held on April 28, 2022.

## 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 endeavor to increase shareholder value through better operational and financial performance.

### ZHONG SHENG JIAN

Chairman and Chief Executive Officer



UE BizHub TOWER, Singapore



● UE BizHub CITY, Singapore  
UE 广场, 新加坡



● UE BizHub WEST, Singapore

## COMMERCIAL PROPERTY PORTFOLIO AND SERVICED APARTMENT IN SINGAPORE

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



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





仁恒柏薇  
ParcVue

## **IN 2021, THE GROUP LAUNCHED THE “PARCVUE” BRAND NAME FOR ITS SERVICED APARTMENT AND HOTEL IN THE PRC**

New series of product lines under this brand name are planned to be opened in Yancheng, Shenyang and Shanghai, creating synergistic effect with the property development business.





**ParcVue Hotel  
Residence,  
Nanjing, PRC**

仁恒柏薇酒店公寓, 南京, 中国



# 主席致辞

仁恒一贯注重产品与服务品质，  
更专注于满足客户的升级改善需求，  
从而更好地从竞争对手中脱颖而出。

仁恒一直保持投资布局与  
产品定位的相对聚焦。

钟声坚

集团主席兼总裁

## 尊敬的各位股东：

本人很高兴借呈报仁恒置地集团有限公司(“仁恒”或“公司”连同子公司统称,“集团”)截至2021年12月31日的财政年度(“2021财政年度”)的年度业绩的机会,对集团2021财政年度的业绩数字背后的经营策略以及集团未来的发展方向与各位股东做一分享。

仁恒一贯注重产品与服务品质,更专注于满足客户的升级改善需求,从而更好地从竞争对手中脱颖而出。仁恒一直保持投资布局与产品定位的相对聚焦。在新加坡,仁恒透过一家子公司—联合工程有限公司(“联合工程”及其子公司,“联合工程集团”)持有一批位于优质地段的商业,写字楼,服务式公寓和酒店物业,以及住宅开发项目,扩大了集团在新加坡的长期投资。在中国,仁恒持续扩大在长三角地区、特别是中国经济大省之一—江苏省的投资力度。仁恒的优质产品与服务,一直备受置换升级购房者的追捧。

## 上海仁恒海上源首次开盘,当天全部售罄,录得人民币50.75亿元的物业预售记录

2021年,仁恒主要新项目和新批次的开盘比较集中在第四季度。上海的仁恒海上源首批推出299套住宅单元,在2021年11月份开盘当天全部售罄,录得超过人民币50.75亿元的物业预售佳绩;此外,仁恒位于杭州和南京的项目也分别在开盘当日取得“日光”佳绩。在新进城市—沈阳及无锡,仁恒项目表现亦优于竞品。虽然市场比较波动,归功于这些开盘,仁恒在2021年第四季度销售强劲,物业合约预售额达人民币228.17亿元,相较第三季度上升182.2%。

## 2021财政年度全年总物业合约预售额合计达人民币777.13亿元

2021财政年度,集团连同其共同控制实体及联营公司之住宅及商业物业以及车位物业合约销售金额为人民币595.87亿元,总建筑面积约187万平方米,其中,仁恒在新加坡的住宅项目表现不俗,录得近新币9亿元(等值约人民币43.34亿元)的销售贡献,体现仁恒在新加坡的投资布局的成效已得到显现。连同由本集团项目管理并以“仁恒”品牌销售的2021财政年度的项目预售金额人民币181.26亿元,总建筑面积376,623平方米,2021财政年度总物业合约预售额合计达人民币777.13亿元,总建筑面积约225万平方米。

## 总物业交付创新高,2021财政年度全年净利润上升10.5%,达人民币40.37亿元

2021财政年度,仁恒的四大主要业务均录得收入增长。集团2021财政年度的收入达人民币348.33亿元,相较截至2020年12月31日的财政年度(“2020财政年度”)上升45.6%;其中,来自物业开发的贡献达人民币310.35亿元,投资物业及酒店运营为人民币13.06亿元,物业管理为人民币9.39亿元及其他业务收入为人民币15.53亿元,相较2020财政年度分别上升48.1%、14.7%、15.5%及54.4%。

2021财政年度,集团连同其共同控制实体及联营公司的全年总物业交付创新高,物业交付住宅及商业单位总建筑面积达206万平方米及10,510个车位,相较2020财政年度分别上升140.2%



纵观集团在2021挑战之年的主要业务数据，仁恒更加坚信其聚焦布局策略，以专注于区域投资和高端产品定位，是在房地产变局背景下，最有利于集团可持续发展的路径选择，进而实现品牌增值和业务发展。在此基础上，辅以高质量的经营性资产和长久稳定的服务性收入，仁恒能更好地抵御市场风险，把握发展机遇。

及113.5%。2021财政年度的物业交付毛销售收入达人民币651.02亿元，较2020财政年度上升160.4%；其中，确认为集团交付的物业毛销售收入为人民币310.77亿元及确认为共同控制实体及联营公司毛销售收入为人民币340.25亿元。

2021财政年度集团全年净利润为人民币40.37亿元，相较2020财政年度上升10.5%，主要是毛利及应占共同控制实体利润增加，以及财务费用下降，部分受2021财政年度其他营业收入及收益和投资物业公允价值变动收益的减少所抵消。

### 稳健的财务管理

集团始终保持稳健审慎财务及流动性管理。截至2021年12月31日，相较于2020年12月31日，集团总资产上升5.4%至人民币1,544.48亿元；现金及现金等价物上升25.3%至人民币215.52亿元，净负债率下降14.2个百分点降至49.0%。

### 物业投资及酒店运营收入持续增长并在新加坡持有优质的投资物业组合

2021财政年度，来自集团的自持投资物业和酒店运营的总收入为人民币13.06亿元，相较2020财政年度增长14.7%，主要受惠于三亚及珠海酒店收入上升，及天津仁恒海河广场一期主力商场部分的大型翻新工程完成重新开业。在新加坡的UE BizHub CITY和UE BizHub TOWER的出租率继续保持在90%左右，以及UE BizHub CENTRAL和UE BizHub WEST的出租率保持稳定，续约租金录得上升。由于长租商业旅客及更多的跨国企业在新加坡开展业务，柏薇（克列孟梭）及柏薇（罗伯逊）的服务式公寓表现

良好，入住率保持在85%左右。年内，建基于联合工程集团的酒店式公寓柏薇品牌及团队，集团在中国推出自营品牌“ParcVue-仁恒柏薇”服务式公寓及酒店自营品牌，在中新合作的南京生态科技岛上实现中国大陆首开，未来该品牌将以不同产品线继续落户盐城、沈阳及上海，实现与地产开发的协同发展。

除了持续的经营性收入，集团将考虑为其位于新加坡优质地段多个永久产权的物业进行翻新整改或重建以提高这些物业的整体价值。在过去几年，新加坡位于市中心的永久产权的物业供应稀缺，价值持续上升，为股东带来丰厚的回报潜力。同时，联合工程集团在世界各地的非地产业务在各自领域均取得发展，在2021财政年度录得业务增长及盈利。

### 发展策略及土地购置

纵观集团在2021挑战之年的主要业务数据，仁恒更加坚信其聚焦布局策略，以专注于区域投资和高端产品定位，是在房地产变局背景下，最有利于集团可持续发展的路径选择，进而实现品牌增值和业务发展。在此基础上，辅以高质量的经营性资产和长久稳定的服务性收入，仁恒能更好地抵御市场风险，把握发展机遇。

正是基于这一战略考量，2021财政年度，集团连同其共同控制实体及联营公司所获取的12个新项目仍以长三角地区为主，其中包括上海、苏州，以及无锡及扬州两个新晋城市。截止2021年12月31日，集团连同其共同控制实体及联营公司持有位于中国六大经济区的20个高增长城市以及新加坡的优质地段合计总建筑面积约992.4万平方米的土地储备；其中，约55.1%位于长三角、18.0%位于大湾区。

## 前景展望

在城市化和经济全球化的推动下，中国大陆房地产业经过了近30年的高速发展，人均居住面积已达40平方米。鉴于城市之间的优质资源分配的持续竞争，以及人们不间断追逐下一阶段城市化的发展机遇，世界第一人口大国的市场空间仍然可观。

疫情期间，各地人口持续流入中国一、二线城市、新加坡等经济持续发展的发达地区，房地产需求仍然殷切，高端市场的改善需求是下一阶段地产企业的发展机遇。

仁恒从成立之日起的品质定位，长期形成的产品及服务体系、务实的管理作风、以及稳固的合作生态与客户基础，将是其角逐未来市场机会的有利竞争优势。仁恒将继续保持稳健的财务策略与经营方针，保证其产品品质与市场竞争优势。

## 已预售尚未确认入账的累计物业合约预售额达人民币982.19亿元

截至2021年12月31日，集团连同其共同控制实体及联营公司已预售尚未确认入账的累计合约预售额达到人民币982.19亿元，总建筑面积约为290万平方米。将陆续在截至2022年12月31日财政年度的首半年及往后入账。继2021年年底市场对仁恒物业预售的热烈回应，集团在2022年1月持续推出新盘销售，其中包括位于上海的荟雅华庭的首次开盘及仁恒海上源新批次开盘，均录得当日售罄，合共录得人民币71.83亿元的销售记录。2022年1月，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98.07亿元，相较2021年1月上升87.7%。

除非全球经济严重恶化及其他未预见的情况，基于目前的预售量、工程进度及交付时间表，集团董事局（“董事局”）对集团下一个报告期及未来12个月的表现持谨慎乐观。

## 股息

董事局建议就2021财政年度对公司每股普通股派发新币6.80分（等值人民币约32.75分）的免税末期股息，股息派息率为2021财政年度全年股东应占净利润的23.8%。该股息须在预定于2022年4月28日举行的公司年度股东大会上经股东批准。



## 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感谢，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增加股东价值。

## 钟声坚

集团主席兼总裁



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

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

## NEW LAND ACQUISITIONS



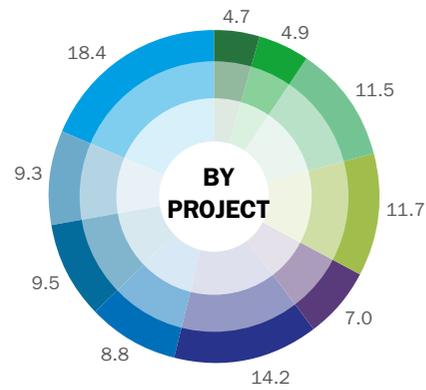
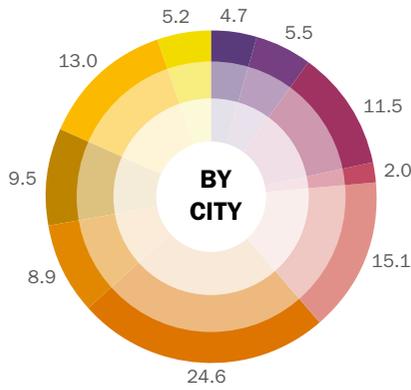
Shanghai Minhang District Minhang New City Meilong Community MHPO-0303  
Unit 01-25-02 Land, Shanghai, PRC  
上海闵行区闵行新城梅陇社区MHPO-0303单元01-25-02地块, 上海, 中国



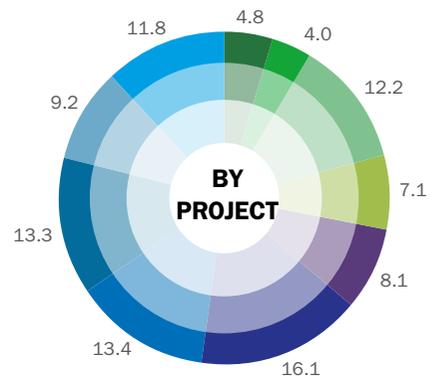
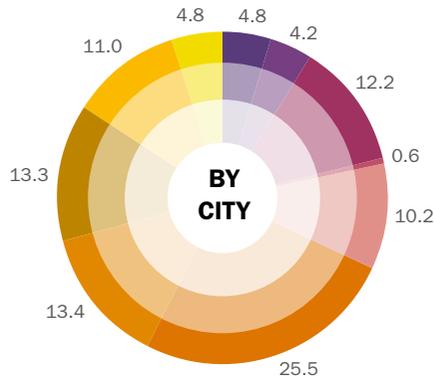
# OPERATIONAL HIGHLIGHTS

For the Financial Year Ended December 31, 2021 ("FY 2021")

## PROPERTY SALES RECOGNISED AS REVENUE IN FY 2021 (%)



## GROSS FLOOR AREA RECOGNISED AS REVENUE IN FY 2021 (%)

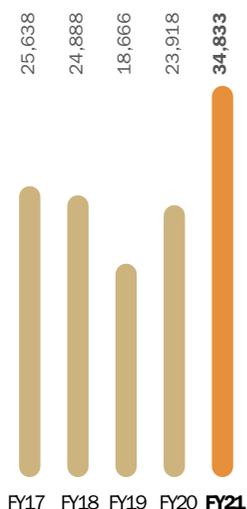


- Hangzhou
- Nanjing
- Nantong
- Shanghai
- Shenzhen
- Suzhou
- Tianjin
- Wuhan
- Zhuhai
- Others

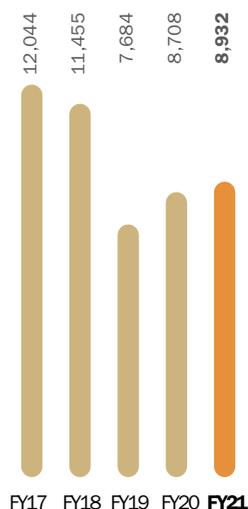
- Hangzhou Bayfront Isle (Phase 2)
- Nanjing The Park Mansion
- Nantong Yanlord Gardens (Phase 1 and 2)
- Shenzhen Yanlord Four Seasons New Gardens
- Suzhou Riverside Gardens
- Suzhou Four Seasons Heming Gardens
- Tianjin Yanlord Majestic Mansion
- Wuhan Yanlord on the Park
- Zhuhai Yanlord Marina Peninsula Gardens
- Others

## FINANCIAL HIGHLIGHTS

### REVENUE (RMB MILLION)



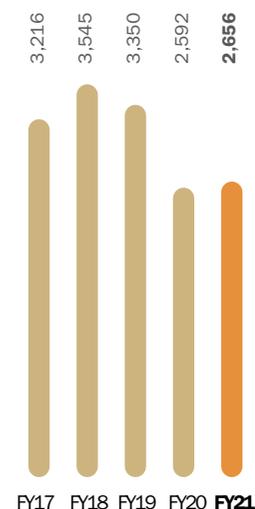
### GROSS PROFIT (RMB MILLION)



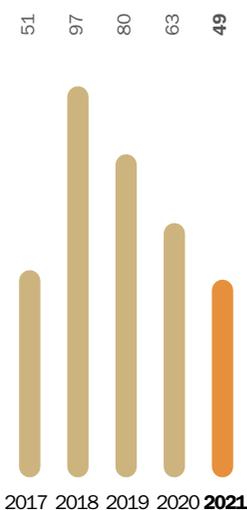
### PROFIT FOR THE YEAR (RMB MILLION)



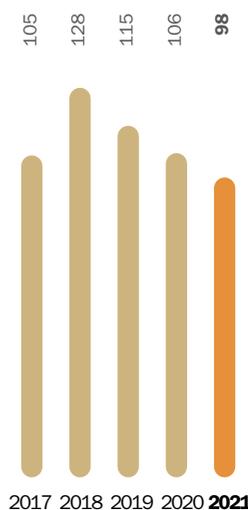
### PROFIT ATTRIBUTABLE TO OWNERS OF THE COMPANY (RMB MILLION)



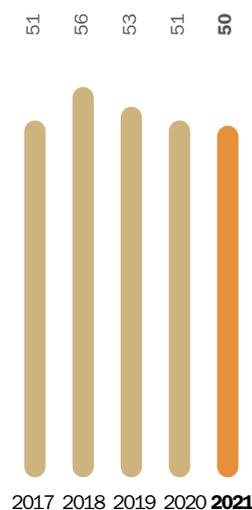
### NET DEBT / EQUITY<sup>1</sup> (%) AS AT DECEMBER 31



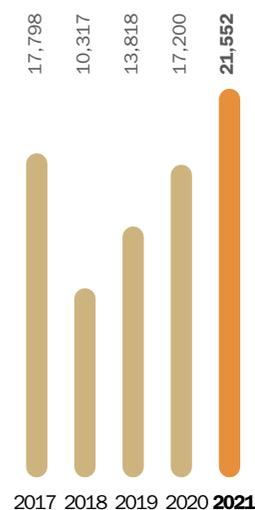
### TOTAL DEBT / EQUITY<sup>1</sup> (%) AS AT DECEMBER 31



### 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

## OPERATION REVIEW



**For FY 2021, Yanlord Land Group Limited recorded a revenue of RMB34.833 billion, an increase of 45.6% over FY 2020, of which, RMB31.035 billion was contributed from property development mainly attributable to the increase in total gross floor areas delivered to the customers, RMB1.306 billion from property investment and hotel operations, RMB939 million from property management and the remaining RMB1.553 billion from other segments, representing an increase of 48.1%, 14.7%, 15.5% and 54.5% compared to FY 2020, respectively.**

## PROPERTY CONTRACTED PRE-SALES

2021 was a watershed year for the real estate industry in the PRC. After the 2020 COVID-19 pandemic, the PRC government stimulated domestic economic recovery by boosting real estate investment. In the first half of 2021, with the COVID-19 pandemic being well-contained in the PRC, the primary property market of PRC performed steadily and better than expected. However, in the third quarter of 2021, with property and credit tightening measures introduced by the central government and local regulatory authorities of the PRC, together with several highly-leveraged real estate companies defaulting in their debt repayments, homebuyers increasingly adopted a ‘wait-and-see’ attitude. Coupled with the resurgent outbreak of the COVID-19 pandemic in various cities, market transaction volume plummeted where selling prices of primary properties saw gradual decline with selling prices of secondary properties also moving in a downward trend. While the central government of PRC took active steps to prop up the real estate sector in the fourth quarter of 2021, the consequent effects might not be immediate and the overall market sales volume continues softening, showing “hot” in the first half of the year and “cold” in the second half of the year.

From a regional perspective, benefiting from sustained economic growth and inflow of talent, property market in the Yangtze River Delta and the Greater Bay Area regions are relatively in a better market advantage. Yanlord followed market characteristics and strategically acquired new land parcels for property sales, particularly in the Yangtze River Delta and the Greater Bay Area regions. Adhering to the quality building and continuous upgrading of its products, as well as riding on the trend of emphasising on quality living environment in the post-epidemic era, Yanlord continues elevating its brand equity. Despite a downturn in the market, housing demand from upgraders remained strong. At the same time, the Group continues to develop project management business bearing the “Yanlord” brand name in Shanghai, Nanjing and various cities in Jiangsu province to expand Yanlord’s brand influence.

For the first half of FY 2021, the property contracted pre-sales of the Group together with its joint ventures and associates remained stable with a total amount of RMB28.681 billion, a slight decrease of 3.7% compared to the first half of FY 2020. For second half of FY 2021, on the backdrop of the challenging market environment, the Group has released a number of new launches in Shanghai, Hangzhou and Nanjing, including the inaugural launches of Yanlord Arcadia in Shanghai and Hangzhou Bay (Phase 2) in Hangzhou as well as the new batch



launch of Riverbay Century Gardens (Phase 2) in Nanjing, where all of the above-mentioned projects were fully sold out on the respective day of launches. Launches in newly-entered cities like Shenyang and Wuxi, also recorded outstanding sales performance compared to their peer-projects. Through these launches, Yanlord recorded strong sales performance in fourth quarter of 2021 with property contracted pre-sales reaching RMB22.817 billion, an increase of 182.2% compared to RMB8.089 billion in the third quarter of 2021.

In FY 2021, the property contracted pre-sales of the Group together with its joint ventures and associates reached RMB59.587 billion on a total GFA of approximately 1.87 million square metres (“sqm”), a decrease of 24.0% and 12.7% respectively over FY 2020. The average selling price (“ASP”) of the property contracted pre-sales achieved in FY 2021 was RMB31,889 per sqm, representing a decrease of 13.0% compared to FY 2020, mainly due to the change in the composition of product-mix. In which, property contracted pre-sales in the Yangtze River Delta and the Greater Bay Area regions contributed 62.5% and 9.2% to property contracted pre-sales of the Group together with its joint ventures and associates in FY 2021, compared to 69.7% and 16.3% respectively in FY 2020. In Singapore, Leedon Green and Diary Farm Residences have achieved satisfactory sales performance, with a total property contracted pre-sales for FY 2021 reaching SGD900 million (equivalent to approximately RMB4.334 billion).

In addition, the Group continued to make good progress in its property development project management business in Shanghai, Nanjing, Suzhou and various other cities of the PRC. In FY 2021, the total contracted pre-sales of other property development projects under the Group’s project management business bearing the “Yanlord” brand name was approximately RMB18.126 billion on contracted GFA of 376,623 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 2021 reached RMB77.713 billion.

As at December 31, 2021, the Group together with its joint ventures and associates recorded an accumulated property contracted pre-sales of

RMB98.219 billion on a total GFA of approximately 2.9 million sqm, which are pending recognition in the first half of financial year ending December 31, 2022 and beyond.

Following the strong market responses of the inaugural launch of Yanlord Arcadia in Shanghai held in November 2021, which had garnered over RMB5.075 billion of property pre-sales on the day of its launch, the Group continued to launch new developments for pre-sales in January 2022, of which, including the inaugural launch of apartment units at Poetic Villa and the new batch launch of Yanlord Arcadia in Shanghai, garnering strong sales performance totaling RMB7.183 billion with all units launched sold out on the first day of launch for both projects. In January 2022, the property contracted pre-sales of the Group together its joint ventures and associates amounted to RMB9.807 billion, an increase of 87.7% compared to January of 2021.

## PROJECT DEVELOPMENT

In FY 2021, while the impact of the COVID-19 pandemic subsisted, with various cities’ government policies’ guidance, project management teams of the Group adopted a series of effective pandemic response measures and managed to keep the impact of the pandemic on each project development within a controllable range, enabling the timely completion, launch and delivery of the Group’s projects in FY 2021 as scheduled.

For FY 2021, the Group together with its joint ventures and associates delivered a total GFA of 2.06 million sqm of properties and 10,510 units of carparks to the customers, an increase of 140.2% and 113.5% respectively compared to FY 2020, setting a new record of total delivery in a year. The total gross revenue from property sales

recognised in FY 2021 was RMB65.102 billion, an increase of 160.4% compared to FY 2020, of which, RMB31.077 billion was recognised as gross revenue of the Group and RMB34.025 billion was recognised as gross revenue of the joint ventures and associates. The ASP of the property sales recognised in FY 2021 was RMB30,761 per sqm, representing an increase of 9.2% compared to FY 2020 due to the change in the composition of projects delivered. In which, property sales recognised in the Yangtze River Delta contributed 53.0% to the total properties delivered by the Group together with its joint ventures and associates in FY 2021, more than that of in FY 2020 of 43.5%.

The projects delivered to the customers by the Group together with its joint ventures and associates in FY 2021 mainly included, Orchard Villa (Phase 6) and Stream In Cloud (Phase 1) in Chengdu; Hangzhou Bayfront Isle (Phase 2) and Yanlord Riverside Gardens in Hangzhou; Yanlord Century Plaza and Yanlord Century Gardens in Jinan; and Yanlord Phoenix Hill (Phase 1), The River Time, Riverbay Century Gardens (Phase 1), Yanlord Taoyuan Gardens in Nanjing; Yanlord Gardens (Phase 1) and Yanlord Gardens (Phase 2) in Nantong; Yanlord Four Seasons New Gardens in Shenzhen; Four Seasons Heming Gardens, Riverside Gardens, Smriti Curtilage, New Tang’s Mansion and Yanlord Seacoast Royale in Suzhou; Yanlord Majestic Mansion, The Mansion In Park (Phase 1), Yiwang Gardens and Yilu Gardens in Tianjin; Yanlord on the Park in Wuhan; Yanlord Marina Peninsula Gardens (Phase 3) in Zhuhai, and others in the PRC.

In FY 2021, the Group together with its joint ventures and associates commenced construction works on a GFA of over 1.49 million sqm across 16 projects, of which, including Yanlord Begonia Park (Phase 3) and Yanlord



Gardens (Phase 2) in Haikou; Hangzhou Bay (Phase 2) and Hangzhou Bayfront Isle (Phase 3) in Hangzhou; Suhe Century, Shanghai San Jia Gang Land Plot and Poetic Villa in Shanghai; Lantern (Phase 2) and Suzhou No. 2021-WG-17 Land in Suzhou; Star Century in Tianjin; Yanlord Elegant Villa and The Yangtze Garden (Phase 1) in Wuhan; Majestic Mansion and Central Lake in Wuxi; Yanlord The Mansion in Park in Yancheng; and Yanlord The Great Bay (Phase 1) in Zhuhai, in the PRC.

As of December 31, 2021, the Group together with its joint ventures and associates had a total GFA under development of approximately 5.79 million sqm.

In FY 2021, the Group continued to expand its third-party quality monitoring program to further strengthen quality and safety risks control, while promoting customers' satisfaction and maintaining its industry-leading standards.

The Group was conferred a national level award for engineering excellence in FY 2021, namely, the "2021 China Civil Engineering Zhan Tianyou Award for Outstanding Residential Community Gold Award" which was awarded to Tang Yue Bay Gardens in Suzhou. Additionally, The Mansion in Park's No.10 building in Tianjin won the "Tianjin Construction Engineering Quality Structural Evaluation Award", and Yanlord North Shore Gardens in Zhuhai won the "Guangdong Province Construction Engineering Quality Structure Award".

## LAND ACQUISITIONS AND LANDBANK

Due to control policies, credit tightening, concentration land supply mechanism, as well as the frequent onshore and offshore debts defaults by several real estate companies in 2021, the national land market of the PRC undergone a trend from "hot" to "cool". Land market has gradually slowed down since July of 2021, and real estate developers became more cautious in replenishing their landbank in the second half of the year.

Backed by in-depth research and its understanding of the market development cycle, the Group together with its joint ventures and associates seized good opportunities at right time, deploying a total investment of approximately RMB22.617 billion to secure a number of high-quality land plots, adding a total of 12 new projects in PRC with a total GFA of approximately 1.25 million sqm to its landbank in FY 2021, of which, a total amount of approximately RMB7.642 billion was attributable to the Group. The newly acquired development sites were in Shanghai, Suzhou, Tianjin, Wuxi and Yangzhou, among others. At the same time, leveraging on Yanlord's brand equity and leading product competitive strength, the Group obtained two property development projects under the Group's project management business bearing the "Yanlord" brand name in Nantong and Yancheng, and a rental apartment operation project in Shanghai, the PRC.

As a whole, the Group maintained its prudent landbank replenishment strategy in FY 2021, with a strategic focus on replenishing its landbank in the major cities such as Shanghai, Suzhou and Tianjin, as well as newly-entered cities like Wuxi and Yangzhou. As of December 31, 2021, total landbank of the Group together with its joint ventures and associates was a total GFA of approximately 9.92 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.



◆ Riverside Gardens, Suzhou, PRC  
河滨花园, 苏州, 中国

## MAJOR PROJECTS WITH REVENUE RECOGNITION IN 2021

◆ Smriti Curtilage, Suzhou, PRC  
藕前别墅, 苏州, 中国





◆ Yanlord Riverside Gardens, Hangzhou, PRC  
仁滨公寓, 杭州, 中国



◆ Hangzhou Bayfront Isle (Phase 2), Hangzhou, PRC  
前湾, 二期, 杭州, 中国

◆ Four Seasons Heming Gardens, Suzhou, PRC  
四季和鸣雅园, 苏州, 中国





● Suhe Century, Shanghai, PRC  
普元华庭, 上海, 中国





● Yanlord The Great Bay (Phase 1),  
Zhuhai, PRC  
仁恒滨海湾花园, 一期, 珠海, 中国

## MAJOR NEW COMMENCEMENT OF CONSTRUCTIONS IN 2021

● Yanlord The Mansion in Park,  
Yancheng, PRC  
星岸家园, 盐城, 中国



## PRODUCT DEVELOPMENT

Upholding its corporate philosophy of “developing land with devotion, building quality accommodation with passion”, quality remains integral to Yanlord’s corporate DNA. The Group focuses on research and development (“R&D”) of building construction and strengthening platform construction, to further refine project design management covering the whole development cycle from feasibility study, project under development to post-completion evaluation, in order to deliver Yanlord’s premium quality product to key selected cities and regions as well as to serve the local high-end market, of which, including newly-entered cities such as Wuxi and Yangzhou.

To encounter the challenging market, and with an objective to speed up development pace, refine cost management and assure product quality, the Group’s R&D department has established and been continuing implementing the business line-specific systematic construction; progressively launched R&D project-based management platform, R&D design resources management platform and kicked-off R&D product visualisation platform. Through optimising and synergising the management tools connecting between the Group and cities’ offices, as well as with horizontal and vertical integration, to elevate standardised designs and precise project implementations, whilst accommodating continuous management system upgrade and optimisation and focussing on property sales launches and property deliveries.

Yanlord continues listening to its customers and strengthening the connection between products and customers. In 2021, the Group’s R&D team together with various cities’ project management teams and customer

services team launched an integrated customer focus-group programme to comprehensively examine products of Yanlord with customers through in-depth review and feedbacks analysis, to further effectively upgrade the features for upcoming products.

While maintaining and enhancing the quality of traditional residences, the Group actively explores new product lines. Suzhou No. 2021-WG-35 Land and Suzhou No. 2021-WG-36 Land, the two land parcels situated in Yangshan District of Suzhou which were acquired in 2021, cover office, commercial, hotel, apartment and residential elements, proposing the concept of “Three-district Integration”, at which a series of high-quality development such as “Garden Office Park”, “Yanlord Community Centres”, “ParcVue Hotel Residence”, “Yanlord International Community” and so on will be built. In 2021, ParcVue Hotel Residence in Nanjing opened for business, being the first project using the newly launched “ParcVue” brand name; this brand name is also planned to expand to Shanghai, Yancheng and Shenyang in the upcoming years.

Together with the diversification of property development segments, the R&D team continuously improves the ability of product iteration and innovation of the Group’s residential products. In 2021, the launch of Yanlord Arcadia in Shanghai, being a new urban high-end product line, obtained good market responses and high recognition from customers. The introduction of Yanlord Central Lake in Wuxi was highly sought after by local customers with its mature and stable “Century” product line series. The newly acquired Yanlord Elegant Villa in Wuhan continues to expand vacation home residence product line series, which is planned to be launched in 2022. In 2021, the Group won a total of 37 design awards in the PRC and



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overseas, including Yanlord Central Lake in Taicang won the Gold Award in 2021 London Design Awards, Suzhou No. 2021-WG-17 Land in Gusu district attained the LEED Platinum Design Certificate, Star Century in Tianjin obtained a two-star certification from the China National Green Construction Design, and The Mansion in Park in Jinan obtained the Healthy Building Design Certificate.

In addition, the Group always focus on green buildings and sustainable development, contributing to energy conservation and emission reduction. The R&D team has integrated and implemented thoughts on “Green, Health, Comfort and Safety” into the developments. “Three Constant System”, which includes constant temperature, constant humidity and

constant oxygen has been implemented for the first time in the refurbishment of Yanlord International Apartments in Nanjing in 2021. Intelligent energy system is fully implemented for the first time in Yanlord Century Mansion in Shenzhen. In 2022, the Group will continue to promote and develop green building and keep track on the progress and number of projects to fulfil the relevant certification and standards, so as to keep pace with the times, and to live up to its commitments.

## CUSTOMER SERVICES

The Group’s customer services team continue to closely focus on the Group’s core value, strengthen functional management, enhance efficiency with new initiatives and creativity to re-enforce its role in organising, coordinating and serving at the frontline.

Throughout the year, the Group’s customer services team completed risks assessments before pre-sales of 16 projects located in 10 cities of PRC. Customer satisfaction enhanced through 181 mystery shopper investigations on 34 projects in 12 cities to constantly checks on omitted issues and gaps. The team has completed a total of 96 sites inspections, involving over 50 projects, and put forth risk prevention plans, and has organised 27 cross-functional communications to assess the risks throughout the whole development process and work with the front-line and cross-functional teams to establish ongoing communication mechanism to better serve the customers. In 2021, the property delivered in terms of sqm reached a new high, the customer services team continued to provide full support to project teams for property delivery services to the customers and organised cross-department for post-delivery project review to further increase customer satisfaction.

Through Customer Relationship Management (“CRM”) data platform, the “400” customer services hotline, and research and communication on specific topics, the customer services team has enhanced the communication with customers. The CRM data platform has over 70,000 registered users and received over 2 million visits in 2021. The “400” customer services hotline received more than 3,500 calls throughout the year, and completed over 49,000 telephone call backs and communications with customers. Through analysing more than 5,000 feedbacks and suggestions from property owners of Yanlord since the start of this online platform, the customer services team has sorted out and completed over 200 types of core services and key internal controls to ensure that customers’ demands, from property purchase, delivery, to occupancy within and over 2 years are attended and resolved expediently.

In 2022, as the coordinator for the Group’s customer relationship-related matters, customer services team will continue to play its role within the organisation, to be innovative in multi-dimensions initiatives for providing quality services in the product lifecycle. The Group will continue to upgrade and improve its total lifecycle services to the customers with passion.



The Group's property management business unit has consistently embraced the concept of "perseverance service, lifelong care", through high quality standards of services and diversified operational initiatives to convey the core values of Yanlord services to the society, customers and employees.

## PROPERTY INVESTMENT AND HOTEL OPERATIONS

For FY 2021, total revenue from property investment and hotel operations of the Group increased to RMB1.306 billion, an increase of 14.7% compared to FY 2020.

In FY 2021, the Group's rental income from commercial and office properties in the PRC continued to rise, mainly attributable to the completion of properties, including shopping malls and office premises in Yanlord Landmark in Nanjing at the end of 2020, the re-opening of Yanlord Riverside Plaza (Phase 1) in Tianjin as "Yanlord Isetan A Mall", and the increase in occupancy rate of the office area and shopping mall of Yanlord Marina Centre in Zhuhai. The overall occupancy rate of commercial and office properties was at 79% as at December 31, 2021, which has been decreased compare to 88% in 2020. This is caused by the commencement of the major refurbishment of the shopping centre in Yanlord Landmark in Chengdu in August 2021 and the increase in the newly completed office premises in terms of square meters in Nanjing.

The occupancy rate of existing office projects in Tianjin, Zhuhai and Chengdu rose steadily to 89%, 87% and 87% respectively by the end of 2021.

Commercial integrated investment properties under development, including Cangjie Commercial Plaza in Suzhou and Yanlord Reverie Plaza in Shenzhen are planned for completion progressively from 2022 to 2023. Commercial integrated investment property developments remain 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. Under substantial international travel restrictions, domestic consumption continued to grow in 2021. The Group remains optimistic about the long-term recurring income growth to be generated from its portfolio in PRC.

In terms of hotels and serviced apartments in PRC, the first half of 2021 saw overall stable performance

with operations resumed rapidly as the pandemic came under control. While the pandemic saw a resurgence in some cities of the PRC in second half of 2021, the overall revenue for the year has gradually recovered to pre-pandemic level. Crowne Plaza Sanya Haitang Bay Resort continued to benefit from the international travel restrictions in 2021, and driven by rising demand for domestic tourism, it has reached a record high annual revenue of RMB253 million.

In October 2021, the first hospitality social media platform of the Group, "Yanlord Hotel Planet", officially launched in Ctrip and accumulated nearly 17,000 loyal subscribers within two months and won the "2021 Ctrip Global Excellent Partner Award". The establishment of Yanlord Hotel Planet opens up a private communication channel, providing a more convenient platform for the hotels within the Group.

In Singapore, occupancy rate at UE BizHub CITY and UE BizHub TOWER continued to hold up well at around 90% with UE BizHub CENTRAL and UE BizHub WEST achieving healthy committed occupancy rate and positive rental

reversion. Leasing demand by info-communications and technology sector and co-working space remained strong despite economic uncertainties.

UE Square shopping center and Rochester Mall recorded stable occupancy rate of more than 90%, in large part due to their mainly local clientele. In conjunction with the various government rental and job support schemes, Yanlord continued to lend timely support to its tenants with the extension of appropriate rent rebates in FY 2021.

Together with the vaccination rollout programs, Singapore has opened its borders to selected countries with vaccination travel lanes in October 2021. However, international tourism remains impacted by the prolonged pandemic and the costs of travelling amidst border restrictions, containment measures and quarantine requirements. By participating in the Singapore government's Stay Home Notice (SHN) quarantine program and actively managing headcount and operating costs, Park Avenue Rochester and Park Avenue Changi recorded stable income. Serviced apartments at Park Avenue Clemenceau and Park Avenue Robertson performed well with occupancy rate maintained at around 85% because of long-stay corporate leases and new multi-national corporate groups.

In 2021, riding on the strength and management expertise of UEL Group's 'Park Avenue' serviced apartment brand, the Group launched the "ParcVue" brand name for its serviced apartment and hotel in the PRC with the first hotel opening in Nanjing as well as secured a hotel management contract in Yancheng and a long-stay apartment management contract in Shanghai. Within the Shenyang Summer Palace mixed

development, the 252-key serviced apartment is planned to be launched under the Group's 'ParcVue' brand. The Group continues to pursue opportunities to grow its hotel and serviced apartment footprint in PRC.

## PROPERTY MANAGEMENT SERVICES - PRC

The Group's property management business unit has consistently embraced the concept of "perseverance service, lifelong care", through high quality standards of services and diversified operational initiatives to convey the core values of Yanlord services to the society, customers and employees.

In 2021, considering the Group's significant increase in new property completions during the year, the ongoing COVID-19 pandemic and keen market competition, property management business unit continues to enhance its management capabilities in five strategic dimensions, including strengthening organisational structure, business team empowerment, information system construction, functional and operational driven management structure, business development and continues to effectively rolling out and achieving its business and operations goals.

As at December 31, 2021, the Group had 114 projects under management and 50 contracted projects for future management, covering residential, retail, office, commercial complex, industrial park and public facilities. Total contracted property management area was approximately 26.82 million sqm, of which, approximately 18.45 million sqm was under management, serving over 88,200 households.

In 2021, Yanlord's property management actively followed the overall strategic development goals of the Group, the business unit team established local business development teams in various cities, in order to expand its property management business to third-party assets under the Yanlord property brand. Club house and elevator management companies successfully expanded to third-party assets for the first time. "Yanlord Qingyu" brand name is registered in Shenzhen to carry out leasing management service.

The Group's property management team, which serves the high-end property management market, is known for its commitment to deliver high-quality services in the industry. In 2021, with the joint efforts of regional property management companies, the team won 92 awards, including 2 national level awards, 20 provincial level awards, 32 city level awards and 38 district or below "level" award.

For instance, Yanlord Landmark in Chengdu won the title of "China's First Batch of National Standard Super Grade A Commercial Office Buildings" in 2021, and Yanlord Property Management (Shanghai) won the "Shanghai Property Management Public Satisfaction - Top 1" for four consecutive years.

At the same time, due to the ongoing COVID-19 pandemic with new variants emerging, the property management team has been coordinating the community and residents in accordance with the prevention and control measure and guidance from the government, and won two awards, being the "Leading Organisation in Anti-pandemic" and "Advanced Unit in Fighting the Pandemic". These awards reflect Yanlord property management's commitment towards social responsibility.

In 2022, Yanlord property management will closely follow the Group's strategic development objectives, continue to place quality first, flexibly adapt to market change, seek growth through business expansion, improve quality and efficiency to promote development, to broaden its market, refine operation efficiency in order to realise medium and long-term vision and development goals of Yanlord property management.

## NON-PROPERTY BUSINESS OF UEL GROUP IN VARIOUS OTHER COUNTRIES

For the engineering & distribution division, systems integrator O'Connor's continues to focus on offering security, communications and smart solutions and services to its customers in public safety, oil and gas, financial and telecommunications as well as commercial sectors. O'Connor's completed key projects for Changi Airport Group and other public sector clients in Singapore and Petronas in Malaysia.

In Queensland, Australia, Pacific Silica performed considerably better in 2021 as its first concrete batching plant completed its first full year of operation and recorded steady sales driven mainly due to increased production of specialty dried sands and the bustling construction industry. Its second concrete batching plant in Caloundra, Southeast Queensland, is presently under construction and is scheduled to start operation in the second half of 2022.

For the manufacturing division, the Group's components businesses in United Kingdom and China performed well. 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 and Thales. The China electronic components business continues its strategy of customer diversification, having secured orders from Fuba, which is a major original equipment manufacturer for radio and global positioning system automotive antennas.

Despite a challenging operating environment caused by COVID-19 and logistic disruption, Speedling, which specialises in the supply of vegetable and ornamental seedling and horticultural product in the USA, improved on its performance during the year and turned profitable. This is achieved largely by expanding its sales channel, focusing on better margin product, and through rigorous cost-cutting and aided by government relief measures.

## HUMAN RESOURCES

The Group views human resources as one of its most valuable strategic assets and 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 career development and create good corporate culture to attract and retain talents for the Group's continuous development.

In 2021, the Group's recruitment, training and talent development functions continue to run in an orderly manner. The Group continues to develop the "Professional and Management Learning Platform" by

offering management-level employees a continuing development platform to upgrade their skillsets and capabilities, while grooming the talents to take on managerial roles within the Group.

In 2021, 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 2021, the Group continued to strengthen senior executive training and optimise staff training, by building up its "Yanlord Capability Development Center". Through the project manager training programme, technical and professional team head training, as well as managers training programmes, the Group continues to nurture its talent pool, so as to support Yanlord's future business growth. The building up of in-house instructors would enhance the knowledge sharing and continuous learning organisation culture, and replicate and standardise work processes to improve performance of the Group.

In order to strengthen the interactions among technical teams and multi-functional working culture, the Group provides staff with ongoing general management training as well as cross-functions and cross-professional trainings for further career development. With the launch of the online learning platform "Yanlord Learning", training courses are launched for employee's daily learning, aiming to realise continuous learning and professional training for its staff.



The Group continues to develop the “Professional and Management Learning Platform” by offering management-level employees a continuing development platform to upgrade their skillsets and capabilities, while grooming the talents to take on managerial roles within the Group.



## CORPORATE FINANCE

In August 2021, a commercial mortgage-backed securities in respect of Tianjin Yanlord Isetan Mall is successful launched in August 2021 with an issue size of RMB1.150 billion to third parties for a 12 years tenor with every 3-year renewable term, at an expected annualised interest of 4.1%.

In 2021, the Group continued to expand its cooperation with domestic and foreign financial institutions and successfully drew down funds as planned at a lower rate, for various projects' ongoing business development.

The Group completed the issuance of its first US\$500 million senior green notes in May 2021 in off-shore financial market, at a coupon rate of 5.125% for 5 years tenor. The net proceeds from the offering were mainly used for refinancing of the Group's existing indebtedness and other general corporate purposes, and will be allocated for investment and refinancing of eligible projects in categories, including green buildings,

energy efficiency, sustainable water and wastewater management, renewable energy, pollution prevention control as well as and clean transportation, in accordance with the green finance framework formulated by the Group in the early of 2021. In October 2021, the Group completed a 3-year term bank loan of S\$340 million with DBS Bank Ltd. in Singapore, with the proceeds raised mainly for refinancing purposes. These transactions have further brought Yanlord closer to domestic and international banks and capital markets, reflecting the recognition of the Group by banks and investors.

## INVESTOR RELATIONS

The Group endeavours to maintain the highest standards of corporate governance and transparency through its 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 operational updates on the Group are promptly released to the Singapore Exchange's and Yanlord's

websites, ensuring that shareholders, investors and analysts receive timely and accurate information. Since April 2020, Yanlord announces updates on the Group's unaudited key operating figures on a monthly basis through Singapore Exchange's website, as well as published on Yanlord's website.

In 2021, due to COVID-19 lock-down measures and travel ban, most international investor conferences converted to virtual and telephone conference formats. Yanlord also held its Annual General Meeting for FY 2020 by ways of electronic means via live audio-visual webcast and live audio-only streaming. In 2020, 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, Hong Kong (SAR), Europe, the United States and other countries to introduce its operations, financial and investments highlights to maintain communication with investors.

## 营运概要



**2021 财政年度，仁恒置地集团有限公司全年营业收入达人民币348.33亿元，相比2020财政年度上升45.6%，其中，物业开发主要因总建筑面积交付上升贡献达人民币310.35亿元，物业投资及酒店运营为人民币13.06亿元，物业管理为人民币9.39亿元及其他业务为人民币15.53亿元，相比2020财政年度分别上升48.1%、14.7%、15.5%及54.5%。**

## 物业合约预售金额

2021年是中国房地产行业的一个分水岭。2020年疫情之后，中国政府开始透过拉动房地产投资以刺激国内经济复苏。在2021年上半年，新冠疫情在国内受到良好控制，中国新房市场平稳向好、销售表现超预期。但是，2021年第三季度随着中国中央及各地方政府实施房产调控政策和信贷环境的持续收紧，叠加部分高杠杆的房地产企业信贷违约频现，导致购房者观望情绪提升。加上各城市新冠疫情反复，市场交易量骤降，新房售价跌势渐显，且二手房售价同呈现下跌态势。2021第四季度中国中央政府为稳楼市积极信号频发，但政策传导尚需时间，总体市场销售量持续萎缩，呈现上半年“热”，下半年“冷”的现象。

从区域角度看，受惠于持续经济增长及人材流入的支持，长三角和大湾区地区的市场具有相对优势。仁恒遵循市场特性，战略取地销售，深耕长三角及大湾区等地。仁恒坚持品质营造与产品力迭代，稳抓疫情后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，改善型项目销售态势依旧良好；同时，集团在上海、南京及江苏省等地持续发展以“仁恒”品牌销售的物业发展项目业务，以拓展仁恒的品牌影响力。

2021财政年度上半年，集团连同其共同控制实体及联营公司的物业合约预售保持平稳，总金额达人民币286.81亿元，较2020财政年度首半年轻微下降3.7%。在2021年下半年充满挑战的艰难大环境

下，集团在上海、杭州及南京推出多个新盘，包括在上海的仁恒海上源和在杭州的前湾·畅想江澜湾的首次开盘及南京仁恒江湾世纪的新批次开盘，均录得当日售罄。在新进城市——沈阳及无锡，仁恒项目表现亦优于竞品。归功于这些开盘，仁恒在2021年第四季度销售强劲，物业合约预售达人民币228.17亿元，较第三季度的人民币80.89亿元，上升182.2%。

2021财政年度，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595.87亿元，总建筑面积达约187万平方米，相比2020财政年度分别下降24.0%及12.7%。2021财政年度，物业合约预售平均价格为每平方米人民币31,889元，较2020财政年度下降13.0%，主要由于预售销售项目组合的改变，其中，长三角和大湾区的物业销售分别占2021财政年度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62.5%和9.2%，2020财政年度分别为69.7%及16.3%。在新加坡，绿墩雅苑及岱莉轩销售表现理想，在2021财政年度全年物业合约预售金额达新币9.00亿元（约人民币43.34亿元等值）。

此外，集团在上海、南京、苏州等国内城市的物业发展代建业务取得良好进展。2021财政年度，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181.26亿元，合同建筑面积为376,623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，2021财政年度的总物业合约销售金额达人民币777.13亿元。

截至2021年12月31日，集团连同其共同控制实体和联营公司已预售尚未入账的累计物业合约预售额达人民币982.19亿元，总建筑面积约290万平方米，预期于截至2022年12月31日的财政年度的首半年及往后陆续入账。

继2021年11月上海仁恒海上源的首开售罄的市场热烈反应，单日售出超过人民币50.75亿元的佳绩，集团在2022年1月持续推出新盘销售，其中包括位于上海的荟雅华庭的首次开盘以及仁恒海上源的新批次开盘，均录得当日售罄，合共录得人民币71.83亿元的销售记录。2022年1月，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98.07亿元，较2021年1月上升87.7%。

## 项目开发

2021财政年度，虽然新冠疫情带来的影响仍在持续，但在各地政府的政策指引下，集团项目管理团队采取一系列有效的防疫措施，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2021财政年度如期开工、供货及交付。

2021财政年度，集团连同其共同控制实体及联营公司的总交付创新高，物业交付总建筑面积达206万平方米及10,510车位，较2020财政年度分别上升140.2%及113.5%。2021财政年度的物业交付毛总销售额达人民币651.02亿元，较2020财政年度上升160.4%；其中，确认为集团交付的物业销售收入为人民币310.77亿元及确认为共同控制实体及联营公司收入为人民币340.25亿元。2021年，物业交付的平均价格为每平米人民币30,761元；

较2020财政年度上升9.2%，主要由于交付物业组合的改变，其中，长三角的物业销售贡献本年度集团连同其共同控制实体及联营公司总物业销售收入金额的53.0%，较2020财政年度的43.5%更多。

在2021财政年度，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：位于中国成都的锦绣尚郡六期及溪云居一期；杭州的前湾二期及仁滨公寓；济南的仁恒世纪广场及仁恒世纪花园；南京的凤凰山居一期、江湾世纪花园一期、江湾时代花园、桃园世纪华庭；南通的仁恒花园一期及二期；深圳的仁恒四季新园；苏州的四季和鸣雅园、河滨花园、耦前别墅、浅棠平江、海河云庭；天津的仁恒海和院、仁恒公园世纪一期、依湾花园及依路花园；武汉的仁恒·公园世纪、珠海的仁恒滨海半岛花园三期等。

在2021财政年度，集团连同其共同控制实体和联营公司新开工16个项目，新开工总建筑面积超过149万平方米，其中包括位于中国海口的仁恒海棠公园三期及仁恒滨江园二期；杭州的前湾·畅想江澜湾及前湾三期；上海的晋元华庭、仁恒滨海度假村及荟雅华庭；苏州的澜庭二期及苏No.2021-WG-17号地块；天津的恒美雅苑；武汉的仁恒西湖山居及仁恒滨江园一期；无锡的海和清舒院及星湖雅园；盐城的星岸家园；及珠海的仁恒滨海湾花园一期。

截止2021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579万平方米。

2021财政年度，集团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，促进客户交付满意度维持行业前列水平。

创优方面，在2021财政年度，集团荣获一项国家级工程质量奖，具体为苏州棠悦湾花园项目荣获2021年中国土木工程詹天佑奖优秀住宅小区金奖。另外，天津的仁恒公园世纪10#楼取得天津市建筑工程“优质结构评价”工程奖，珠海的仁恒北岸苑获得“广东省建设工程优质结构奖”。

## 土地投资及储备

2021年，由于受政策调控，信贷紧缩，集中供地，部分房地产企业在岸及离岸债务及信贷违约频现等行业形势影响，中国全国土地市场经历了先热后冷的走势。自2021年7月份后，土地市场逐渐变缓，房地产开发企业下半年土储扩充普遍十分谨慎。

2021财政年度，因对市场发展周期深入研究及了解，集团连同其共同控制实体和联营公司及时抓住合适机遇，获取了一批优质地块，在中国共获取12个新项目，共计土地储备约125万平方米，总投资约人民币226.17亿元，其中，集团约占人民币76.42亿元。新获取项目分布在上海、苏州、天津、无锡、扬州等城市。此外，集团还利用自身品牌价值与品质优势，获取了位于南通、盐城的两个以“仁恒”品牌代建的项目，以及一个位于上海的租赁住房运营项目。

整体来说，仁恒2021财政年度延续了稳健发展的土储扩充态势，继续在重点城市如上海、苏州和天津，还有新城市如无锡及扬州补充其土地储备。截止2021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992万平方米。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，继续保持我们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，这其中包括新进城市如无锡及扬州。

为应对市场挑战，且以提速降本保品质为目标，集团研发部推动并不断实践专业条线的体系化建设；先后上线研发专项计划管理平台、研发设计资源管理平台、以及启动研发可视化平台的开发。通过精进集

团与城市公司链接的管理工具，横向及纵向的整合，以推动一体化设计及项目精准落地，并融通更新优化管理系统，重开盘、重交付。

仁恒持续聆听其客户声音，加强产品端与客户端的联系。2021年，集团研发团队结合各城市公司团队、客户服务团队与业主启动研发条线的客户焦点小组会面，从客户视角全方位审视仁恒产品，有效针对即将推出的产品升级迭代。

在保持并提升传统住宅品质的同时，集团积极开拓新兴业态。2021年获取位于苏州阳山地区的两块地块—苏No.2021-WG-35号地块及苏No.2021-WG-36号地块，涵盖产业办公、商业、酒店、公寓及住宅等业态，提出“三区融合”的概念，未来将在此打造“花园办公园区”、“仁恒里”、“仁恒柏薇酒店公寓”、“仁恒国际社区”等一系列高品质发展。2021年，位于南京的仁恒柏薇酒店公寓开业，作为仁恒柏薇品牌在国内首家落户的项目；此品牌也计划将于日后相继落位上海、盐城及沈阳。

与业态多元化一起发展的是团队持续提升住宅产品迭代创新的能力。2021年，上海仁恒海上源为全新的城市高端产品线项目面世，均获得不俗市场反应及客户高度认可；首次引入无锡的星湖雅园，以成熟稳定的“世纪系列”产品得到当地客户青睐；武汉新获取仁恒西湖山居继续扩充第二居所类型，将于2022年面世。2021年，集团项目获得境内境外各类设计奖项共计37项，包括太仓的仁恒时代天镜获得2021 London Design Awards金奖荣誉、苏州姑苏区的苏No.2021-WG-17号地块获得LEED铂金设计认证，天津的恒美雅苑通过中国国家绿色建筑二星级认证，以及济南的仁恒奥体公园世纪获得健康建筑设计标识等。

此外，集团始终关注绿色建筑及可持续发展规划，为节能减排做出贡献。研发端对绿色、健康、舒适及安全的思考通过项目付诸实践。2021年首次在南京仁恒国际公寓改造项目中实施恒温恒湿恒氧“三恒系统”，并首次在深圳仁恒世纪大厦实施交付类的智能能源系统全覆盖。



仁恒遵循市场特性，战略取地销售，深耕长三角及大湾区等地，仁恒坚持品质营造与产品力迭代，稳抓疫情后时代关注品质人居环境的趋势，沉淀仁恒产品的价值，面对行业寒冬，改善型项目销售态势依旧良好；同时集团在上海、南京、江苏等地持续发展代建业务，以拓展仁恒的品牌影响力。



2022年，集团仍将持续推广、开发绿色建筑及关注相关认证评核标准的项目进度及数量，与时并进，践行承诺。

## 客户服务

集团客户服务团队继续紧密围绕公司核心理念，强化功能条线管理，不断增强工作主动性和创造性，切实发挥集团客户服务部门“组织、协调、服务一线”的作用。

全年集团客关团队共计完成中国10个城市内的16个项目的开盘前风险检查，前置规避风险；通过对集团12个城市内的34个项目累计进行181次神秘客服务监督检查，不断查漏补缺，提升客户感知。团队共计巡检96次，涉及超过50个项目，提出多项风险防范计划，组织27次跨职能沟通，对项目开发过程的风险排查与一线及跨职能间建立了互通机制为客户提供更好的服务，集团全年度交付面积创新高，集团客户服务团队全力支援各相关部门团队顺利交房，并组织专项交付复盘，进一步提高客户满意度。

集团通过CRM数据系统、“400”客户服务热线、以及专项调研沟通，加强与客户联系。集团搭建的CRM数据系统，全年客户绑定量7万人，2021年年度总访问量超过

200万人次；“400”客户服务热线，全年累计接听超过3,500条来电，与客户完成超过49,000次电话回访、沟通。集团客户服务团队通过对自建线上平台后超5,000条仁恒业主回函建议及意见的汇总分析，梳理完成超过200项服务触点及内部管控要点，确保客户在购买、交付、入住2年内及入住2年以上的各个时期诉求能够得到及时关注和解决。

2022年，集团客户服务团队作为所有与客户关系相关行为的总体协调者，将进一步在组织内部发挥自身作用，对客户关系业务进行创新及多维服务，以全周期客户触点为基础，推动及建设服务品牌，更好的为客户提供仁恒用心服务。

## 物业投资及酒店运营

2021财政年度，来自集团的自持投资物业的租金和酒店运营的总收入为人民币13.06亿元，较2020年增长14.7%。

2021财政年度，集团来自中国的商业及办公楼物业的租金收入持续上升，主要受惠于南京仁恒置地广场办公楼及商场于2020年年末新竣工及开业、天津仁恒海河广场商场一期以“仁恒伊势丹A馆”于重新开业、珠海仁恒滨海中心办公楼及商场的

出租率持续上升。截止2021年12月31日，整体平均出租率为79%，较去年的88%为低，主要是受成都仁恒置地广场商业在2021年8月份启动大型翻新工程及南京办公楼的新完工面积增加的影响。现有天津、珠海及成都办公楼项目出租率稳步上升至2021年底的89%，87%及87%。

苏州仓街商业广场及深圳仁恒梦创广场的在建中商业综合体将陆续在2022至2023年竣工。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。在大幅度国际旅游限制下，中国本地消费，在2021年持续增长，集团对国内的长期经营性收入增长保持乐观。

在中国的酒店及服务式公寓方面，2021年上半年疫情平稳，营运持续恢复；2021年下半年虽然受中国个别城市的疫情反复影响，但从全年表现来看，整体营业收入已陆续恢复到疫情前水平。三亚海棠湾仁恒皇冠假日度假酒店2021年继续得益于疫情对国际旅游的限制，国民对国内旅游需求上升带动，完成全年总营业收入人民币2.53亿元，再次创造了新的历史新高。



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



## INVESTMENT PROPERTY PORTFOLIO AND HOTEL OPERATIONS IN THE PRC





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



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

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



2021年10月初,仁恒首个集团形式的酒店公众平台“仁恒酒店星球号”正式入驻携程。短短2个多月,即积累了忠实订阅读客户近17,000名。因此也获得了2021携程全球优秀合作伙伴大奖。仁恒酒店星球号的建立也开拓了酒店板块的私域流量渠道,为集团打通旗下各酒店客户资源共享提供了更便捷的平台。

在新加坡,UE广场和 UE BizHub TOWER 的出租率继续保持在 90% 左右,以及UE BizHub CENTRAL 和 UE BizHub WEST 的出租率保持稳定,续约租金录得上升。尽管存在经济不确定性,信息通信和技术行业以及共享办公空间的租赁需求依然强劲。以服务本地客户为主的UE广场购物中心和罗切斯特商场的出租率稳定在90%以上。在2021财政年度,配合各项政府租金及就业支援计划,仁恒继续适时支援其租户,提供适当的租金补贴。

在疫苗接种计划全面推行后,新加坡在2021年10月宣布将陆续向特定的国家开放边境,并设有疫苗接种旅行通道。然而,国际旅游业仍然受到长期疫情、以及边境限制和检疫要求的影响。通过参与新加坡政府的居家通知 (SHN) 隔离计划柏薇(罗切斯特)酒店及柏薇樟宜酒店录得稳定收入,由于长租商业旅客及更多的跨国企业在新加坡开展业务,柏薇(克列孟梭)及柏薇(罗伯逊)及柏薇罗伯逊的服务式公寓表现良好,入住率保持在85%左右。

2021年,建基于联合工程集团的酒店式公寓柏薇品牌及团队,集团在中国成功推出了“仁恒柏薇”服务式公寓及酒店自营品牌,在南京开设了第一家酒店式服务公寓,并在盐城获得了酒店管理合同,以及在上海获得了长租公寓管理合同。在沈阳夏宫城市广场综合开发项目中,这座拥有252间客房的服务式公寓计划以“仁恒柏薇”品牌开业。集团将继续寻求机会,扩大其在中国的酒店和服务式公寓足迹。



2022年仁恒物业管理将紧密链接集团战略目标,继续以品质为先,灵活应变市场变化、业务突破求增长、提质增效促发展,做宽市场、做深经营,积极推动仁恒物业中长期愿景及发展目标的实现。

## 物业管理服务 - 中国

仁恒物业管理始终秉承“恒心服务,一生呵护”的服务理念,通过持续的高标准品质服务、多元化经营探索,向社会、客户和员工传递仁恒服务的价值理念。

2021年,仁恒物业管理在集团大幅增加的新交付项目及面积、多城市的疫情反复,以及激烈的市场竞争的环境下,从组织优化、业务赋能、信息化系统建设、经营条线化、市场拓展五个战略维度积极探索,有效推进及顺利达成各项业务及营运指标。

截止2021年12月31日,仁恒物业管理共有在管项目114个、合同储备项目50个,类型覆盖住宅、商业、办公、综合体、园区管理、公共建筑等,物业管理合约面积约2,682万平方米,实际接管面积约1,845万平方米,服务户数超88,200户。

2021年仁恒物业积极链接集团整体战略目标,物业事业部牵头组建各地城市拓展队伍,推动第三方资产物业管理外拓业务、输出仁恒物业品牌,会所及电梯两个专业公司也取得首次外拓成功。“仁恒清寓”品牌在深圳注册,将开展托管租赁业务。

仁恒物业管理团队多年来坚持深耕高端物业服务市场,始终保持着优质品牌的行业地位。2021年在各地区物业管理公司的共同努力下,共获得各类荣誉92项,其中国家级荣誉2项;省/直辖市级荣誉20项;市级荣誉32项;区级及以下荣誉共38项。

值得一提的是成都仁恒置地广场在2021年荣膺“中国首批国家标准超甲级商务写字楼”称号、上海仁恒物业连续四年获得“上海市公众满意度测评第一名”。同时因疫情反复,物业管理作为社区和居民之

间的服务连接载体,协同配合政府联防联控,获得了“抗疫优秀志愿服务集体”、“抗击疫情先进单位”2项嘉奖,也反应了仁恒物业的社会责任感。

2022年仁恒物业管理将紧密链接集团战略目标,继续以品质为先,灵活应变市场变化、业务突破求增长、提质增效促发展,做宽市场、做深经营,积极推动仁恒物业管理中长期愿景及发展目标的实现。

## 联合工程集团在多个国家的其他业务

在工程与分销方面,系统集成商 O'Connor's 继续专注于为公共安全、石油和天然气、金融和电信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,并为新加坡樟宜机场集团和其他公共部门客户以及马来西亚国家石油公司完成了关键项目。

在澳大利亚昆士兰州, Pacific Silica 在 2021 年的表现良好,因为其第一个混凝土搅拌站完成了第一个全年运营,受特种干砂产量增加和建筑业的繁荣,录得稳定的销售。其位于昆士兰东南部卡伦德拉的第二个混凝土搅拌站目前正在建设中,计划于 2022 年下半年开始运营。

在制造业方面,集团在英国和中国的零部件业务发展良好。Cambion 通过与波音和泰雷兹等主要客户联合开发专业电子连接解决方案,继续增加收入。中国电子元件业务继续以客户多元化战略,获得了来自无线电和全球定位系统汽车天线的主要代工生产商 Fuba 的订单。

尽管因新型冠状病毒大流行和物流中终端导致经营环境充满挑战,但在美国专门从事蔬菜和观赏及园艺产品供应的 Speedling 公司在这一年的业绩有所改善并实现了盈利,这主要是通过扩大其销售渠道、专注于利润率更高的产品、通过严格的成本消减和政府救济来实现的。

## 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。

2021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。

2021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控制能力。

2021年集团持续强化高管培训,优化员工培训,开展“仁恒能力发展中心”建设,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,借助线上学习平台开展“仁恒一课”项目,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

2021年8月,天津仁恒伊势丹商场相关的资产支持专项计划成功发行,对外发行规模达人民币11.50亿元,总年期12年,每三年一续,证券预期收益率为4.1%。2021年,集团继续保持与各中外金融机构的深度合作,以更低的资金成本按计划成功提款,确保了各项目的资金需求。

集团于2021年5月完成首次在境外金融市场发行5亿美元优先绿色债券,票面息率5.125%,年期5年,所筹净资金主要用于再融资及集团日常运营用途,并将跟据集团于2021年年初制定的绿色融资框架,配置于绿色建筑、节能、可持续用水、污水处理,可再生能源,防止及控制污染及清洁交通的投资及再融资用途。2021年10月,集团在新加坡完成了与星展银行的新币3.40亿的3年期银行贷款,所筹资金主要用于再融资用途。这些交易进一步拉近了仁恒与国内及国际银行和资本市场的联系,更反映了银行及投资者对仁恒良好信誉的认可。

## 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”)的官方网站公告及仁恒网站及时发布,向股东、投资者及分析员提供及时及可靠的讯息。从2020年4月起,仁恒每月通过新交所及仁恒网站发布集团未审计的主要营运数据。

2021年,虽然由于新型冠状病毒大流行采取的封锁措施和旅行禁令在个别国家或地区有陆续开放,大多数国际投资会议仍然主要透过线上会议和通过电话会议进行。仁恒也以线上方式通过现场视听直播方式及现场纯音频举行了2020财政年度股东大会。在2021年,集团参与了由多个银行、证券公司与新交所组织的投资峰会和线上路演,与新加坡、中国大陆、香港、欧洲、美国及其他各地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。

## PROPERTY MANAGEMENT SERVICES



The Group's property management team, which serves the high-end property management market, is known for its commitment to deliver high-quality services in the industry's leading position.



## OTHER NON-PROPERTY BUSINESS

Through UEL, the Group expands its footprint into various businesses internationally.



# DEVELOPMENT SCHEDULE SUMMARY

## 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 - 六期	1,040	99	281,533	240,450	R,S
Stream In Cloud (Phase 1) 溪云居, 一期	318	80	46,697	18,105	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>Gulyang</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) 仁恒海棠公园, 一期	824	51	37,475	104,959	R
<b>Hangzhou</b>					
Hangzhou Bayfront Isle (Phase 1) 前湾, 一期	664	30	39,778	79,713	R
Hangzhou Bayfront Isle (Phase 2) <sup>(1)</sup> 前湾, 二期 <sup>(1)</sup>	400 (R) and commercial podium	30	31,848	68,508	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
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 (Phase 1) <sup>(2)</sup> 江湾世纪花园, 一期 <sup>(2)</sup>	776	51	72,481	151,470	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>	137	50	11,434	20,556	R
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 A <sup>(1)</sup> 仁恒国际公寓, A栋 <sup>(1)</sup>	210	100	3,337	42,494	H
Yanlord International Apartments, Tower B 仁恒国际公寓, B栋	254	100	25,078	67,683	R

Project	Description (units)	Interest Attributable (%)	Site Area (sqm)	GFA (sqm)	Type
<b>Nanjing</b>					
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>	1,021	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 (Phase 1) 仁恒花园, 一期	569	31	46,157	81,836	R
Yanlord Gardens (Phase 2) 仁恒花园, 二期	335	31	39,771	54,280	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
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
<b>Shenyang</b>					
Orchard Summer Palace 夏宫城市广场	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

## COMPLETED DEVELOPMENT PROPERTIES (CONT'D)

Project	Description (units)	Interest Attributable (%)	Site Area (sqm)	GFA (sqm)	Type
<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	2,330	95	39,600	167,158	R,S
Yanlord Reverie Apartments 仁恒梦公寓	2,859	100	36,952	119,588	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 江湾雅园	1,874	30	123,313	293,598	R
Riverside Gardens 河滨花园	698	85	44,671	89,218	R
Smriti Curtilage 耦前别墅	40	100	8,698	10,346	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 Peninsula (Apartment) 星岛仁恒	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 Parcel A8 <sup>(2)</sup> 唐山南湖生态城, A8 地块 <sup>(2)</sup>	1,220	50	64,656	169,551	R
Tangshan Nanhu Eco-City - Land Parcel A9 <sup>(2)</sup> 唐山南湖生态城, A9 地块 <sup>(2)</sup>	759	50	42,626	119,116	R,S
Tangshan Nanhu Eco-City - Land Parcel A19 <sup>(2)</sup> 唐山南湖生态城, A19 地块 <sup>(2)</sup>	116	50	46,199	38,611	R
<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 Majestive Mansion 仁恒海和院	1,803	60	183,925	254,318	R,S
Yanlord Riverside Gardens 仁恒河滨花园	2,184	80	130,789	326,220	R
Yanlord Riverside Plaza (Phase 1) <sup>(1)</sup> 仁恒海河广场, 一期 <sup>(1)</sup>	971 (R) and 7-storey (S)	100	43,605	218,190	R,S
Yanlord Riverside Plaza (Phase 2) <sup>(1)</sup> 仁恒海河广场, 二期 <sup>(1)</sup>	544 (R), 29-storey (O) and retail shops	100	51,672	163,971	R,O,S

Project	Description (units)	Interest Attributable (%)	Site Area (sqm)	GFA (sqm)	Type
<b>Tianjin</b>					
Yilu Gardens <sup>(2)</sup> 依潞花园 <sup>(2)</sup>	844	25	74,715	147,787	R,S
Yiwan Gardens <sup>(2)</sup> 依湾花园 <sup>(2)</sup>	810	17	50,811	86,496	R
<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 - Section A <sup>(1)(3)</sup> 仁恒滨海中心 - A标段 <sup>(1)(3)</sup>	136 (O), 4 (S) and 324 (H)	95	10,482	93,809	O,S,H
Yanlord Marina Centre - Section B <sup>(1)</sup> 仁恒滨海中心 - B标段 <sup>(1)</sup>	409	95	31,722	133,299	R,S
Yanlord Marina Peninsula Gardens (Phase 1) <sup>(1)</sup> 仁恒滨海半岛花园, 一期 <sup>(1)</sup>	1,004	57	62,285	152,926	R,S
Yanlord Marina Peninsula Gardens (Phase 2) 仁恒滨海半岛花园, 二期	1,043	57	62,674	161,606	R,S
Yanlord Marina Peninsula Gardens (Phase 3) 仁恒滨海半岛花园, 三期	1,659	57	102,725	184,226	R
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	41,097	R
<b>Subtotal (PRC)</b>			<b>6,914,771</b>	<b>13,445,069</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)(5)</sup> 柏薇(罗伯逊)服务公寓 <sup>(1)(5)</sup>	36	100	1,174	3,286	H
Rochester Mall and Park Avenue Rochester <sup>(1)(6)</sup> 罗切斯特商场和柏薇(罗切斯特)酒店 <sup>(1)(6)</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 CENTRAL <sup>(3)(4)</sup>	11-storey high-tech facilities and ancillary offices	100	23,975	36,076	O
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>109,056</b>	<b>262,566</b>	
<b>Total</b>			<b>7,023,827</b>	<b>13,707,635</b>	

R = Residential

O = Office and Conference Centre

S = Shop and Retail

H = Hotel and Serviced Apartment

N = Others (Including Tourism Attraction and Medical Center)

**Notes:**<sup>(1)</sup> Consists of properties held for investment with unexpired terms of lease between 22-860 years as at December 31, 2021<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<sup>(5)</sup> Formerly known as Park Avenue Robertson (公园大道(罗伯逊)服务公寓)<sup>(6)</sup> Formerly known as Rochester Mall and Park Avenue Rochester (罗切斯特商场和公园大道(罗切斯特)酒店)

## 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	Nov-22	35,009	47,440	66	R
Stream In Cloud (Phase 2 and 3) 溪云居, 二、三期	1,018	80	1st Quarter 2023	103,370	87,947	45	R
<b>Haikou</b>							
Yanlord Begonia Park (Phase 2) 仁恒海棠公园, 二期	378 (R), office block and retail shops	51	Jul-22	33,416	90,991	49	R,O,S
Yanlord Begonia Park (Phase 3) 仁恒海棠公园, 三期	237	51	2nd Quarter 2024	10,848	40,336	33	R
Yanlord Gardens (Phase 1) <sup>(1)</sup> 仁恒滨江园, 一期 <sup>(1)</sup>	798 (R) and retail shops	70	Sep-22	57,354	107,851	44	R,S
Yanlord Gardens (Phase 2) <sup>(1)</sup> 仁恒滨江园, 二期 <sup>(1)</sup>	1,176 (R) and retail shops	70	1st Quarter 2024	91,456	159,731	3	R,S
<b>Hangzhou</b>							
Hangzhou Bay (Phase 1) <sup>(1)</sup> 前湾·江上湾 <sup>(1)</sup>	1,015	30	Mar-22	55,354	133,006	47	R
Hangzhou Bay (Phase 2) <sup>(1)(2)</sup> 前湾·畅想江澜湾 <sup>(1)(2)</sup>	1,274	30	2nd Quarter 2024	71,367	185,542	23	R
Hangzhou Bayfront Isle (Phase 3) 前湾, 三期	146 (R+H) and retail shops	30	3rd Quarter 2024	17,765	35,601	3	R,S,H
IHG Keyi Hangzhou International Hospital <sup>(1)</sup> 英慈科谊医院 <sup>(1)</sup>	Self-operating medical center	30	Feb-22	25,670	38,505	29	N
The Corals <sup>(1)</sup> 珊瑚世纪雅园 <sup>(1)</sup>	916 (R) and retail shops	50	Jun-22	77,273	123,518	61	R,S
<b>Jinan</b>							
The Mansion in Park <sup>(1)</sup> 仁恒奥体公园世纪 <sup>(1)</sup>	1,074 (R) and retail shops	35	2nd Quarter 2023	63,634	139,951	24	R,S
<b>Nanjing</b>							
Cloud Serenity Gardens <sup>(1)</sup> 云逸都荟花园 <sup>(1)</sup>	3,165	18	Jan-22	153,262	386,026	83	R,S
Majestive Mansion <sup>(3)</sup> 海和院 <sup>(3)</sup>	479	51	Sep-22	55,372	77,513	45	R
Riverbay Century Gardens (Phase 2) <sup>(1)</sup> 江湾世纪花园, 二期 <sup>(1)</sup>	617	51	Jul-22	102,818	134,703	51	R
The River Time <sup>(1)</sup> 江湾时代花园 <sup>(1)</sup>	162	50	Jul-22	13,577	24,409	63	R
Yanlord Hub City 城市星徽名苑	1,228 (R) and retail shops	100	1st Quarter 2023	61,329	145,814	42	R,S
Yanlord Phoenix Hill (Phase 1) 凤凰山居, 一期	5	51	Dec-22	2,560	1,513	76	R
<b>Nantong</b>							
Yanlord Gardens (Phase 3) 仁恒花园, 三期	548	31	Mar-22	45,649	81,994	89	R

Project	Description (units)	Interest Attributable (%)	Actual/ Estimated Completion Date	Site Area (sqm)	GFA (sqm)	Percentage of Completion (%)	Type
<b>Shanghai</b>							
Cloud Villa <sup>(1)</sup> 怡雅园 <sup>(1)</sup>	784	15	Apr-22	108,388	86,826	68	R
Jingan Century <sup>(1)</sup> 璟安悦庭 <sup>(1)</sup>	693	28	Mar-22	27,809	70,879	48	R,H
Moons Villa 仁恒·海明园	560 (R) and retail shops	50	Sep-22	83,262	84,060	45	R,S
Poetic Villa <sup>(1)</sup> <sup>(4)</sup> 荟雅华庭 <sup>(1)</sup> <sup>(4)</sup>	745	28	4th Quarter 2023	83,042	99,163	36	R
Shanghai Curtilage <sup>(1)</sup> 海和院 <sup>(1)</sup>	1,175	30	Jun-22	121,049	122,693	70	R
Suhe Century <sup>(5)</sup> 晋元南华庭 <sup>(5)</sup>	360 (R) and commercial complex	30	1st Quarter 2025	28,288	74,746	1	R,O,S
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	Nov-22	33,471	50,843	45	R
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 <sup>(1)</sup> 仁恒海上源 <sup>(1)</sup>	1,171 (R) and retail shops	52	3rd Quarter 2023	69,400	192,458	38	R,S
<b>Shenyang</b>							
Yanlord on the Park 仁恒公园世纪	526	99	3rd Quarter 2023	18,488	99,561	41	R
<b>Shenzhen</b>							
Yanlord Century Mansion 仁恒世纪大厦	364 (H) and retail shops	95	Sep-22	5,744	57,500	36	O,S
Yanlord Reverie Park <sup>(1)</sup> 仁恒芯梦公园 <sup>(1)</sup>	Office block, retail shops and serviced apartment	49	Dec-21	43,969	210,983	58	O,S,H
Yanlord Reverie Plaza <sup>(6)</sup> 仁恒梦创广场 <sup>(6)</sup>	Commercial complex	100	Aug-22	29,790	208,303	38	O,S,H
<b>Suzhou</b>							
Lantern (Phase 1) <sup>(1)</sup> 澜庭, 一期 <sup>(1)</sup>	675	11	2nd Quarter 2023	104,545	132,588	25	R
Lantern (Phase 2) <sup>(1)</sup> 澜庭, 二期 <sup>(1)</sup>	Hotel	11	2nd Quarter 2023	32,645	25,949	25	H
Smriti Curtilage and Cangjie Commercial Plaza <sup>(6)</sup> 耦前别墅; 仓街商业广场 <sup>(6)</sup>	53 (R) and retail mall	100	Dec-22	75,500	89,800	64	R,S
Suzhou No. 2021-WG-17 Land <sup>(1)</sup> 苏No. 2021-WG-17号地块 <sup>(1)</sup>	Bungalow	17	3rd Quarter 2023	39,945	76,457	1	R
Yanlord La Viva Riverbay <sup>(1)</sup> 滨河四季云庭 <sup>(1)</sup>	1,534	15	Nov-22	86,741	186,887	77	R

## DEVELOPMENT SCHEDULE SUMMARY

## PROPERTIES UNDER DEVELOPMENT (CONT'D)

Project	Description (units)	Interest Attributable (%)	Actual/ Estimated Completion Date	Site Area (sqm)	GFA (sqm)	Percentage of Completion (%)	Type
<b>Taicang</b>							
Yanlord Central Lake 仁恒时代天镜	1,296 (R) and commercial complex	60	2nd Quarter 2024	174,312	320,770	29	R,O,H
<b>Tangshan</b>							
Tangshan Nanhu Eco-City - Land Parcels A14 and A15 <sup>(1)</sup> 唐山南湖生态城, A14、A15地块 <sup>(1)</sup>	230	50	Nov-22	18,168	21,988	36	S,H
<b>Tianjin</b>							
Star Century 恒美雅苑	751	51	2nd Quarter 2024	53,201	95,784	7	R
Yanlord Majestic Mansion 仁恒海和院	114	60	Apr-22	9,589	13,259	99	S
Yilu Gardens <sup>(1)</sup> 依璐花园 <sup>(1)</sup>	1,452 (R) and retail shops	25	Dec-22	55,189	109,165	59	R
Yiwan Gardens <sup>(1)</sup> 依湾花园 <sup>(1)</sup>	640 (R) and retail shops	17	Nov-22	47,452	80,778	55	R,S
<b>Wuhan</b>							
The Yangtze Garden (Phase 1) <sup>(7)</sup> 仁恒滨江园, 一期 <sup>(7)</sup>	249	50	4th Quarter 2023	10,875	48,999	20	R
The Yangtze Garden (Phase 2) <sup>(8)</sup> 仁恒滨江园, 二期 <sup>(8)</sup>	Office block and retail shops	50	4th Quarter 2023	11,303	52,770	20	O,S
Yanlord Elegant Villa <sup>(1)</sup> 仁恒西湖山居 <sup>(1)</sup>	469	25	1st Quarter 2024	79,247	79,072	1	R
<b>Wuxi</b>							
Central Lake <sup>(1)</sup> 星湖雅园 <sup>(1)</sup>	1,145	15	1st Quarter 2024	86,898	167,376	80	R
Majestic Mansion 海和清舒院	Residential	51	4th Quarter 2023	36,901	41,646	5	R
<b>Yancheng</b>							
Yanlord The Mansion in Park 星岸家园	1,551	51	3rd Quarter 2027	80,033	190,027	1	R
Yanlord Riverside Gardens (Phase 1) 仁恒河滨花园, 一期	916	51	1st Quarter 2024	51,913	143,218	44	R,S
Yanlord Riverside Gardens (Phase 2) 仁恒河滨花园, 二期	844	51	1st Quarter 2027	54,435	124,461	6	R
<b>Zhongshan</b>							
Four Seasons Park (Phase 1C) <sup>(1)(9)</sup> 星月万像花苑 <sup>(1)(9)</sup>	1,179	30	1st Quarter 2023	47,298	129,361	77	R,S
<b>Zhuhai</b>							
Yanlord The Great Bay (Phase 1) <sup>(10)</sup> 仁恒滨海湾花园, 一期 <sup>(10)</sup>	Residential	100	1st Quarter 2024	34,805	135,172	5	R,S
<b>Subtotal (PRC)</b>				<b>2,988,756</b>	<b>5,702,297</b>		

Project	Description (units)	Interest Attributable (%)	Actual/ Estimated Completion Date	Site Area (sqm)	GFA (sqm)	Percentage of Completion (%)	Type
<b>Singapore</b>							
Dairy Farm Residences 岱莉轩	460 (R) and shops	100	Dec-22	19,648	41,260	47	R,S
Leedon Green <sup>(1)</sup> 绿墩雅苑 <sup>(1)</sup>	638	50	2nd Quarter 2023	30,357	49,011	30	R
<b>Subtotal (Non-PRC)</b>				<b>50,005</b>	<b>90,271</b>		
<b>Total</b>				<b>3,038,761</b>	<b>5,792,568</b>		

R = Residential

O = Office and Conference Centre

S = Shop and Retail

H = Hotel and Serviced Apartment

N = Others (Including Tourism Attraction and Medical Center)

**Notes:**

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

<sup>(2)</sup> Formerly known as Hangzhou Intelligent City Project - Medical Land Parcels (Phase 4) (杭州传化科技城项目 - 国际医疗园, 四期)

<sup>(3)</sup> Formerly known as Nanjing No. 2018G19 Land (南京 No. 2018G19地块)

<sup>(4)</sup> Formerly known as Shanghai Pudong Kangqiao Land (上海浦东康桥地块)

<sup>(5)</sup> Formerly known as Shanghai Jingan Jinyuan South Land Parcels (上海静安晋元南地块)

<sup>(6)</sup> Consists of properties held for investment with unexpired terms of lease between 34-36 years as at December 31, 2021

<sup>(7)</sup> Formerly known as Hankou Riverside International Business District (Phase 1) (汉口滨江国际商务区, 一期)

<sup>(8)</sup> Formerly known as Hankou Riverside International Business District (Phase 2) (汉口滨江国际商务区, 二期)

<sup>(9)</sup> Formerly known as Four Seasons Park (Phase 1) (星月彩虹花苑, 一期)

<sup>(10)</sup> Formerly known as Zhuhai East Coast Liu Shi Shan Redevelopment Project (珠海东岸留诗山更新项目)

## PROPERTIES HELD FOR FUTURE DEVELOPMENT

Project	Description (Units)	Interest Attributable %	Site Area (sqm)	GFA (sqm)	Type
<b>Haikou</b>					
Yanlord Gardens (Phase 3) <sup>(1)</sup> 仁恒滨江园, 三期 <sup>(1)</sup>	136 units (R) and retail shops	70	38,726	67,637	R,S
<b>Hangzhou</b>					
Hangzhou Bay Commercial Land Parcels - Commercial Complex <sup>(2)</sup> 前湾国际商贸园 - 商业综合体 <sup>(2)</sup>	Conference center, shopping mall and self-operating hotel	30	78,870	118,446	O,S,H
Hangzhou Bay Medical Land Parcels - Commercial Complex <sup>(1) (3)</sup> 前湾国际医疗园 - 商业综合体 <sup>(1) (3)</sup>	Conference center and self-operating hotel	30	41,512	93,864	O,H
<b>Nanjing</b>					
Nanjing No. 2016G84 Land - Land Parcel B and G <sup>(1)</sup> 南京 No. 2016G84 地块 - B、G 地块 <sup>(1)</sup>	Commercial complex and tourism	51	251,141	344,672	O,S,H,N
Yanlord Phoenix Hill (Phase 2 to 4) 凤凰山居, 二至四期	825 units	51	372,397	186,693	R,S
<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>Shanghai</b>					
Shanghai Minhang District Minhang New City Meilong Community MHPO-0303 Unit 01-25-02 Land <sup>(1)</sup> 上海闵行区闵行新城梅陇社区MHPO-0303单元01-25-02地块 <sup>(1)</sup>	Residential	45	61,300	97,529	R
<b>Shenyang</b>					
Orchard Manor 锦绣山庄	Villas	99	74,688	29,875	R
<b>Shenzhen</b>					
Shenzhen Longgang District Bantian Redevelopment Project 深圳龙岗区 - 坂田城市更新项目	Residential and commercial complex	100	52,768	235,717	R,O,S
Shenzhen Longgang District Redevelopment Project (Phase 3) 深圳龙岗区 - 城中村改造项目, 三期	850 units	95	33,207	129,090	R,S
Shenzhen Longgang District Redevelopment Project (Phase 4) 深圳龙岗区 - 城中村改造项目, 四期	Residential	95	13,131	50,660	R
Yanlord Landmark 仁恒置地广场	Under planning	100	2,513	13,680	R,O,S
<b>Tangshan</b>					
Tangshan Nanhu Eco-City - Land Parcel A11 <sup>(1)</sup> 唐山南湖生态城, A11地块 <sup>(1)</sup>	Office block	50	14,796	22,954	O
<b>Tianjin</b>					
The Mansion In Park (Phase 2) <sup>(1)</sup> 仁恒公园世纪, 二期 <sup>(1)</sup>	Office block 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>	Self-operating hotel	50	32,699	53,858	H
Tianjin Hong Qiao Land (Phase 2) <sup>(1)</sup> 红咸雅苑, 二期 <sup>(1)</sup>	Serviced apartment and retail shops	25	33,713	56,760	S,H

Project	Description (Units)	Interest Attributable %	Site Area (sqm)	GFA (sqm)	Type
<b>Wuxi</b>					
Cheng No. 2021-C-7 Land 澄 No. 2021-C-7号地块	Residential and retail shops	61	198,167	213,133	R,S
Wuxi No. 2021-52 XDG-2021-68 Land <sup>(1)</sup> 锡国土(经) 2021-52 XDG-2021-68号地块 <sup>(1)</sup>	Residential and retail shops	1	118,500	242,003	R,S,H
<b>Yancheng</b>					
Yanlord The Mansion in Park 星岸家园	Residential	51	34,677	82,335	R
<b>Yangzhou</b>					
Yangzhou West District New District Xiangming Lake Project 扬州西区新城香茗湖项目	564 units	50	54,460	85,387	R,S
<b>Zhongshan</b>					
Four Seasons Park (Phase 2) <sup>(1) (4)</sup> 星月四季花苑 <sup>(1) (4)</sup>	820 units (R) and retail shops	30	64,858	88,230	R,S
<b>Zhuhai</b>					
Yanlord The Great Bay (Phase 1 and 2) <sup>(5)</sup> 仁恒滨海湾花园, 一、二期 <sup>(5)</sup>	Residential and office blocks	100	100,287	195,214	R,O
<b>Total</b>			<b>1,769,311</b>	<b>2,518,555</b>	

R = Residential

O = Office and Conference Centre

S = Shop and Retail

H = Hotel and Serviced Apartment

N = Others (Including Tourism Attraction and Medical Center)

**Notes:**

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

<sup>(2)</sup> Being split-off from Hangzhou Bayfront Isle (Phase 3) (前湾, 三期)

<sup>(3)</sup> Formerly known as Hangzhou Intelligent City Project - Medical Land Parcels (杭州传化科技城项目 - 国际医疗园)

<sup>(4)</sup> Formerly known as Four Seasons Park (Phase 2) (星月彩虹花苑, 二期)

<sup>(5)</sup> Formerly known as Zhuhai East Coast Liu Shi Shan Redevelopment Project (珠海东岸留诗山更新项目)

## 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

**Relationship:**

Father of Mr. Zhong Ming and Mr. Zhong Iek Ka, both Executive Directors, and uncle of Mr. Zhong Siliang, an Executive Director

Mr. Zhong Sheng Jian (64) is the founder of Yanlord Land Group Limited and is responsible for the overall management and strategy development of Yanlord Land Group Limited. 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, 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 and Singapore-China Business Council. He is also the Honorary President of Teochew Poit Ip Huay Kuan, Vice Chairman of the Singapore Chinese Cultural Centre, Vice President of the Singapore Federation of Chinese Clan Associations, Director of Business China and Council Member of the Singapore Chinese Chamber of Commerce & Industry.



## ZHONG SILIANG

Executive Director

**Date When First Appointed:**

May 11, 2006

**Date of Last Re-election:**

April 29, 2019

**Country of Principal Residence:**

Singapore

**Relationship:**

Nephew of Mr. Zhong Sheng Jian, the Chairman and Chief Executive Officer and a substantial shareholder, and cousin of Mr. Zhong Ming and Mr. Zhong Iek Ka, both Executive Directors

Mr. Zhong Siliang (44) 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:**

June 29, 2020

**Country of Principal Residence:**

Singapore

**Relationship:**

Son of Mr. Zhong Sheng Jian, the Chairman and Chief Executive Officer and a substantial shareholder, brother of Mr. Zhong Iek Ka, an Executive Director, and cousin of Mr. Zhong Siliang, an Executive Director

Since 2013, Mr. Zhong Ming (35) 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 and United States of America. Mr. Zhong Ming oversees the execution of the Group's strategies at the city level and the acquisition of prime sites mainly in Shanghai and Tianjin of the People's Republic of China as well as driving forward the Group's overall development and expansion strategies and leads the Group's property development, management and project 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

**Relationship:**

Son of Mr. Zhong Sheng Jian, the Chairman and Chief Executive Officer and a substantial shareholder, brother of Mr. Zhong Ming, an Executive Director, and cousin of Mr. Zhong Siliang, an Executive Director

Mr. Zhong Iek Ka (31) 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 Group's business operations in Suzhou, the People's Republic of China. Mr. Zhong Iek Ka is currently a Director of several companies of the Group in the People's Republic of China and Singapore.

Mr. Zhong Iek 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

### **Relationship:**

None

Mr. Hee Theng Fong (67) is a Senior Lawyer in Singapore with over 30 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 about two hundred cases in civil litigation and arbitration as Lead Counsel or Arbitrator in many countries and regions including Singapore, the People's Republic of China and Hong Kong (SAR). Many of the cases handled by him have been reported in Singapore Law Report.

Mr. Hee also serves as a Director of several companies listed on the mainboard of the Singapore Exchange namely, Straco Corporation Limited, Zheneng Jinjiang Environment Holding Company Limited and China Aviation Oil (Singapore) Corporation Ltd.. Mr. Hee is a 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 Delong Holdings Limited, First Resources Limited, Datapulse Technology Limited, YHI International Limited, APAC Realty Limited and Tye Soon Limited. He has been regularly invited to speak on directors' duties and corporate governance.

Mr. Hee also serves as a Director of Greenland (Singapore) Trust Management Pte. Ltd., F & H Singhome Fund II Ltd. and Green Link Digital Bank Pte. Ltd.. He is also the Deputy Chairman of Singapore Medishield Life Council, the Consultant of Harry Elias Partnership LLP and a Member of ACRA's Complaints and Disciplinary Panel.

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 29, 2019

### **Country of Principal Residence:**

Singapore

### **Relationship:**

None

Mr. Hong Pian Tee (77) 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 mainboard of the Singapore Exchange namely, XMH Holdings Ltd., Sinarmas Land Limited, Hyflux Ltd and YHI International Limited.

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

### **Relationship:**

None

Mr. Teo Ser Luck (53) is an entrepreneur and investor. He is currently the Independent Non-Executive Chairman of BRC Asia Limited, Independent Non-Executive Chairman of Serial System Ltd, Lead Independent Director of China Aviation Oil (Singapore) Corporation Ltd and MindChamps PreSchool Limited, and an Independent Director of Straco Corporation Limited, companies listed on the mainboard of the Singapore Exchange. He is an Advisor to the Institute of Singapore Chartered Accountants (ISCA) and 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 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:**

Not applicable

**Country of Principal Residence:**

Singapore

**Relationship:**

None

Mr. Chua Taik Him (66) 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 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:**

Not applicable

**Country of Principal Residence:**

Singapore

**Relationship:**

None

Mr. Tan Chin Siong (63) 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, 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 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 commercial, hospitality and 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 business 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 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.

### 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.

### LU RUIFENG

Vice President

Mr. Lu Ruifeng has been a Vice President of the Group since May 2018 and is responsible for human resources, administration and information management of the Group. Prior to this, Mr. Lu was the co-founder of Qianding Internet Technology Co., Ltd. between 2015 and 2018, where he involved in the creation of a new business model based on community services. Between 2012 and 2014, Mr. Lu was the Deputy General Manager of human resources department of Longfor Group and was responsible for recruitment and talent development centre, including human resources business partner program for Longfor properties, hiring and training of talent, corporate culture building and setting up of local teams in new cities. Between 2009 and 2012, Mr. Lu was in charge of human resources of Longfor Beijing, Chengdu and Xi'an companies. Between 2005 and 2009, Mr. Lu was with Schneider (China) Investment Co., Ltd. and was responsible for the human resources management of its one merger and acquisition project. Mr. Lu served in Xigu Optical Fiber Co., Ltd. between July 2000 and September 2005. Mr. Lu graduated from Xi'an University of Finance and Economics with a Bachelor's Degree in Business Administration in 2000. He obtained his Master's Degree in Business Administration from the School of Xi'an University of Finance and Economics in 2007.

### 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 over 27 years of 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 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.

### CHAN YIU LING

Assistant to Chief Executive Officer

Ms. Chan Yiu Ling joined Yanlord in 1999 and was previously Executive Director of Yanlord Land Group Limited between May 2006 and June 2020. Ms. Chan has been assisting our Chairman and Chief Executive Officer, Mr. Zhong Sheng Jian, for over 30 years and is responsible for various administrative functions of the Group. She was the Sales Manager of Yanlord Industrial Ltd., where she managed its sales and marketing department for close to 10 years. Ms. Chan has approximately 8 years of administration experience working as an Administration Executive in various companies before joining Yanlord. Ms. Chan graduated with a diploma from the Chinese YMCA Secretarial Course in 1982.

### SIZE 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 over two decades of 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, with knowledge of these areas across regional and international markets. 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 holds a Degree in Law (LLB Honours) from the University of London and a Certificate in Legal Practice from the Malaysian Legal Profession Qualifying Board. She is also a chartered holder from The Chartered Governance Institute UK & Ireland and an associate of the Chartered Secretaries Institute of Singapore.

## SENIOR MANAGEMENT IN 20 CITIES IN THE PRC AND SINGAPORE

### ZHOU CHENG

General Manager – Shanghai and Hangzhou

Mr. Zhou Cheng joined Yanlord in April 2000 and has been the General Manager of Shanghai operations of Yanlord since February 2021. In January 2022, Hangzhou operations of Yanlord merged into its Shanghai operations and Mr. Zhou has since then responsible for the overall management of businesses of Yanlord in both Shanghai and Hangzhou. Prior to this, Mr. Zhou was the General Manager of Suzhou operations and was responsible for the overall management of business of Yanlord in Suzhou between April 2011 and January 2021. Mr. Zhou has also assumed numerous roles in Yanlord, including Project Manager and Manager of the engineering department at Nanjing subsidiary, the Deputy General Manager and Executive Deputy General Manager of Suzhou subsidiary and etc.. Prior to joining Yanlord, Mr. Zhou was the Project Manager and Civil & Heating, Ventilation, and Air Conditioning Engineer at Pepsi Cola Nanjing between 1999 and April 2000 and worked for Nanjing Steel Group handling civil engineering project management between 1989 and 1999. Mr. Zhou graduated from Xi'an University of Architecture and Technology in 1989, major in Industrial and Civil Engineering.

### GAO YONGJUN

General Manager – Nanjing and Yangzhou

Mr. Gao Yongjun was appointed as the General Manager of Nanjing operations of Yanlord since May 2012 and is responsible for the overall management of businesses of the Group in Nanjing. Due to the Group's business expansion, he is also responsible for the operations of 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 of the Group 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 of Zhuhai and Zhongshan operations

Mr. Lam Ching Fung joined Yanlord since 1995 and currently is the Chairman of Zhuhai and Zhongshan operations of Yanlord. He oversees the overall management of operations in Zhuhai and Zhongshan. Mr. Lam was the General Manager of Zhuhai

and Zhongshan operations of Yanlord from 2005 to 2019, responsible for the overall management of the business 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 and Zhongshan

Mr. Xiang Hui, who joined Yanlord in 2011, has been appointed as the General Manager of Zhuhai and Zhongshan operations of Yanlord and was responsible for the overall management of businesses in Zhuhai and Zhongshan since February 2021. 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 Hui 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.

### **RUAN XINKUN**

General Manager – Suzhou, Nantong, Taicang, Yancheng and Wuxi

Mr. Ruan Xinkun joined Yanlord in April 2000 and has been the General Manager of Suzhou operations of Yanlord since February 2021. He is responsible for the overall management of businesses of Yanlord in Suzhou, Nantong, Taicang, Yancheng and Wuxi. Prior to this, 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 as the General Manager of Nantong operations of Yanlord and has been responsible for the overall management of businesses in Nantong. During this period, he led his team to expand into Taicang and Yancheng and was responsible for overall management of businesses 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.

### **LIN JUN TING**

General Manager – Tianjin, Tangshan and Jinan

Mr. Lin Jun Ting was appointed as the General Manager of Tianjin and Tangshan operations of Yanlord in March 2017, and also appointed as the General Manager of Jinan operations of Yanlord in 2017. Mr. Lin is responsible for the overall planning and management of businesses in Tianjin, Tangshan and Jinan. 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.

**WANG HONGWEI**

General Manager – Shenzhen

Mr. Wang Hongwei has been the General Manager of Shenzhen operations of Yanlord since July 2018 and is responsible for the overall management of business of Yanlord in Shenzhen.

Mr. Wang has over 20 years of experience in real estate development and is proficient in real estate operation, engineering, finance and the whole value chain of real estate development business. Prior to joining Yanlord, Mr. Wang served in well-known real estate companies such as Kaisa Group and Wanda Group and held senior executive positions in these companies. Mr. Wang graduated from Wuhan University in 1999, with a Master's Degree in Business Administration.

**DENG WEIWEN**

General Manager – Haikou and Sanya

Mr. Deng Weiwen, who joined Yanlord in November 2007, has been the General Manager of Haikou operations of Yanlord and is responsible for the overall management of business in Haikou since 2017. He is also responsible for the overall management of Sanya operations of Yanlord since January 2021. Previously, Mr. Deng assumed the role of the Manager of the engineering department at Shenzhen operations of Yanlord and the role of Assistant General Manager at Shenzhen operations of Yanlord 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 as the General Manager of Wuhan operations of Yanlord since March 2017 and is responsible for the overall management of business 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 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.

**CAO JINWEI**

General Manager – Shenyang

Mr. Cao Jinwei, who joined Yanlord in 2008, has been the General Manager of Shenyang operations of Yanlord since August 2020 and is responsible for the overall management of business of Yanlord in Shenyang. Mr. Cao served as Project Lead Engineer at Nanjing operations of Yanlord from 2008 to 2012, as Project Manager of Yanlord Western Gardens and Yanlord Eastern Gardens in Shanghai from 2012 to 2017 and as Project General Manager of Tangshan project of Yanlord from 2017 to 2020. Before joining Yanlord, Mr. Cao was with Xuanwu Construction Company from 2005 to 2008 as a Project Manager and Project Leader in charge of project construction, project completion and liaising with the government. From 2000 to 2005, Mr. Cao worked as Project Supervisor and Construction Engineering Manager in Hengfeng Real Estate and was responsible for the overall construction management of projects. Mr. Cao graduated from Chongqing University in 2000, major in Civil Engineering. He is also a Senior Engineer.

**TAN CHEE KEONG, ROY**

Group Managing Director of United Engineers Limited

Mr. Roy Tan has been appointed as 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 as Group Managing Director of UEL Group, he was 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 the 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, UK, 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

## OVERVIEW

Yanlord Land Group Limited (“Yanlord” or “Company” together with its subsidiaries, “Group”) continues to reaffirm its commitment towards sustainability with an annual sustainability report aiming to provide stakeholders a holistic and transparent account of the Group’s sustainability approach, initiatives and performance in the environmental, social and governance (“ESG”) aspects.

This document provides a synopsis of Yanlord’s approach in managing issues relating to ESG and sustainability. The full sustainability report for the financial year ended December 31, 2021 (“FY 2021”) (“Sustainability Report”) will be published as a standalone report in May 2022.

Yanlord’s focus for FY 2021 is to improve the quality of its sustainability disclosures following major updates to its sustainability reporting scope in the financial year ended December 31, 2020 (“FY 2020”). Key updates for FY 2021 will include:

- Taking reference from the Taskforce on Climate-related Financial Disclosures (“TCFD”) recommendations for qualitative disclosures on climate change issues. Yanlord aims to align its disclosures on climate-related issues to the TCFD recommendations in the future.
- Enhancing its disclosures based on MSCI ESG rating metrics.
- Mapping of sustainability initiatives to the eleven adopted United Nations Sustainable Development Goals (“UN SDGs”)

Yanlord has not commissioned an independent external assurance on the Sustainability Report, but may consider doing so in future as its sustainability reporting practices mature.

### Notes:

- <sup>1</sup> Property Development refers to ongoing development of residential, commercial and other properties.
- <sup>2</sup> Property Investment and Hotel Operations refers to leasing of investment properties and operating of hotel and accommodation services. They are further broken down into ‘Managed Properties’ which refers to retail and office properties, and ‘Hotel and Serviced Apartments’, for clarity of disclosure within the full Sustainability Report.
- <sup>3</sup> Environmental data for managed (but not owned) properties are excluded from the reporting scope.
- <sup>4</sup> Following the acquisition of United Engineers Limited (“UEL”) in FY2020, UEL’s business operations have been integrated into the Group’s Singapore operations.

## REPORTING SCOPE AND PERIOD

Unless otherwise stated, the reporting scope for FY 2021 covers:

### The People’s Republic of China

#### Yanlord Corporate Office

#### Yanlord’s Property Business Segments

- Property Development<sup>1</sup>
- Property Investment and Hotel Operations<sup>2</sup>
  - Managed Properties
  - Hotel and Serviced Apartments
- Property Management<sup>3</sup>

### Singapore

#### Yanlord Corporate Office

#### Yanlord’s Property Business Segments<sup>4</sup>

- Property Development
- Managed Properties
- Hotels and Serviced Apartments

### Hong Kong (SAR)

#### Yanlord Corporate Office

The reporting period is January 1, 2021 – December 31, 2021. Financial data is given in Renminbi (“RMB”).

## REPORTING STANDARDS

The Sustainability Report will be prepared in accordance with the Global Reporting Initiative (“GRI”) Standards: Core Option and the sustainability reporting requirements set out in the Listing Manual of the Singapore Exchange Securities Trading Limited. In addition, the GRI G4 Construction and Real Estate Sector Disclosures will also be included in the Sustainability Report. The GRI Standards were selected as they are internationally recognised reporting standards, 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 communities.

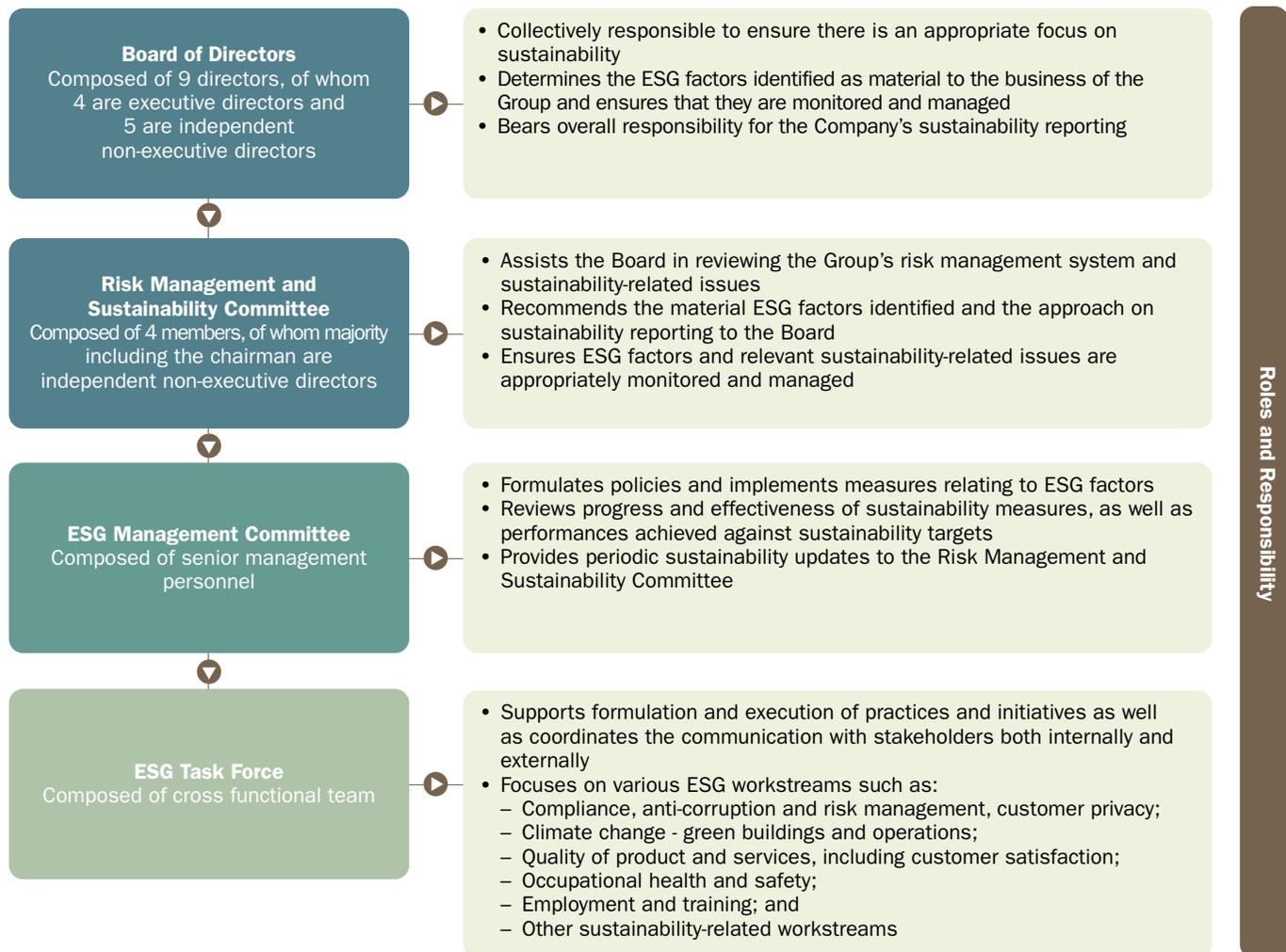
## SUSTAINABILITY GOVERNANCE

The four-tier sustainability governance structure of Yanlord begins at the top with the Board of Directors of the Company (“Board”), which is ultimately responsible for Yanlord’s sustainability reporting. The Board maintains oversight of the business affairs and strategic directions of the Group, which includes 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 which ensures there is an appropriate focus on sustainability by management. The Risk Management and Sustainability Committee 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 the Risk Management and Sustainability Committee and the Board for their consideration and approval. The progress updates include updates on the 10 material ESG topics that are pertinent to Yanlord’s business for FY 2021.

More details are elaborated in below sustainability governance structure.



## STAKEHOLDER ENGAGEMENT

The success of the Group's business hinges on the healthy and long-standing relationships it fosters with its stakeholders. Through active and regular engagements, the Group gains a better understanding of their interests, needs and concerns, which will then guide the Group in taking appropriate follow-up actions in response. The table below details key interests of stakeholder groups and response as well as the types of engagement methods of the Group.

Key Stakeholder Groups	Key Concerns/ Interests Raised by Stakeholder Groups	Yanlord's Response	Modes of Engagement	Frequency of Engagement
<b>INVESTORS</b> 	<ul style="list-style-type: none"> <li>Yanlord's growth strategy and market outlook</li> <li>Business operations and performance</li> <li>Impact of COVID-19 and Yanlord's response to mitigate</li> </ul>	<ul style="list-style-type: none"> <li>Maximise shareholder returns, maintain good corporate governance for sustainable business success</li> <li>Transparent and timely communication of both financial and non-financial information</li> </ul>	Annual General Meeting (conducted virtually in 2021), Annual Report, Circular to Shareholders and Sustainability Report	Annually
			Financial results announcements and briefings	Half-yearly
			Analyst and investor meetings (conducted virtually in 2021)	Ongoing
			Announcements, media releases, monthly key operating figures' updates through Singapore Exchange's website, Company's website and/or via email alerts	Ongoing
			Investor Newsletters	Quarterly
			Presentations	As appropriate
<b>BUSINESS PARTNERS</b> 	<ul style="list-style-type: none"> <li>Longstanding and healthy business relationships which are impactful and beneficial in relation to the economic and ESG aspects</li> </ul>	<ul style="list-style-type: none"> <li>Transparent and timely communication with business partners</li> <li>Align expectations between both parties through regular engagement</li> </ul>	Dialogue sessions, town halls, and forums (physical meetings resumed, with some events conducted virtually where the need arose due to small-scale COVID-19 outbreaks in certain regions in 2021)	Ongoing
			Announcements, media releases, monthly key operating figures' updates through Singapore Exchange's website, Company's website and/or via email alerts	Ongoing
			Presentations	As appropriate
<b>SUPPLIERS</b> 	<ul style="list-style-type: none"> <li>Cooperative and long-lasting business relationships</li> <li>Adherence to regulations and environmental, health and safety ("EHS") standards</li> </ul>	<ul style="list-style-type: none"> <li>Align expectations between both parties through regular reviews</li> <li>Ensure regular risk assessments relating to EHS is conducted</li> </ul>	EHS assessment	Annually
			Seminars and peer sharing (physical meetings resumed, with some events conducted virtually where the need arose due to small-scale COVID-19 outbreaks in certain regions in 2021)	Quarterly
			Vendor evaluation	Ongoing

Key Stakeholder Groups	Key Concerns/ Interests Raised by Stakeholder Groups	Yanlord's Response	Modes of Engagement	Frequency of Engagement
<b>EMPLOYEES</b> 	<ul style="list-style-type: none"> <li>• Conducive, safe and healthy work environment</li> <li>• Comparable and fair remuneration package, including compensation and benefits</li> <li>• Training and development opportunities</li> <li>• Talent retention and career advancement</li> <li>• Employee wellness</li> </ul>	<ul style="list-style-type: none"> <li>• Provide performance appraisal system to review development of employees</li> <li>• Identify potential staff for career advancement opportunities</li> <li>• Provide work and non-work related workshops and learning opportunities to improve both technical skill sets and employee well-being</li> </ul>	Employee performance review	Annually
			Dialogue sessions, town hall meetings, and forums (physical meetings resumed, with some events conducted virtually where the need arose due to small-scale COVID-19 outbreaks in certain regions in 2021)	Ongoing
			News bulletin and announcements via Company intranet	Ongoing
			Employee assistance programme (counselling service)	Ongoing
			Employee grievance handling channel	Ongoing
			Employee volunteering platform	Ongoing
			Training and development programmes	Ongoing
<b>CUSTOMERS (residents, tenants, guests and visitors)</b> 	<ul style="list-style-type: none"> <li>• Customer satisfaction</li> <li>• Quality of Yanlord's services and products</li> <li>• Impact of COVID-19 and Yanlord's response to mitigate</li> </ul>	<ul style="list-style-type: none"> <li>• Maintain highest standards in products and services delivered</li> <li>• Increase value added to customers</li> <li>• Timely response and prompt follow-up actions taken to address customers' feedback</li> <li>• Closely monitor on quality of products and services through frequent reviews and inspections and conduct enhancement programme or where applicable, regular maintenance and repair works</li> </ul>	Customer satisfaction surveys	Annually
			Tenant satisfaction surveys	Annually
			Tenant engagement/networking events (physical meetings resumed, with some events conducted virtually where the need arose due to small-scale COVID-19 outbreaks in certain regions in 2021)	Quarterly
			Integrated customer and call centre	Ongoing
			Show suites feedback	Ongoing
			Campaigns and programmes (physical meetings resumed, with some events conducted virtually where the need arose due to small-scale COVID-19 outbreaks in certain regions in 2021)	Ongoing
			Welcome parties (physical meetings resumed, with some events conducted virtually where the need arose due to small-scale COVID-19 outbreaks in certain regions in 2021)	As appropriate
Healthy Workplace Ecosystem	Ongoing			
<b>LOCAL COMMUNITIES</b> 	<ul style="list-style-type: none"> <li>• Yanlord's support towards the local community, especially during COVID-19</li> <li>• Safe and healthy spaces</li> <li>• Responsible use of resources</li> </ul>	<ul style="list-style-type: none"> <li>• Operate and grow the business in a socially responsible manner through efficient use and allocation of resources</li> <li>• Support initiatives that focus on corporate giving through implementing Corporate Social Responsibility (CSR) practices</li> <li>• Universal design for homes and offices</li> </ul>	Collaborations with charities and NGOs partners for community development	Ongoing
			Monetary and in-kind donations	Ongoing

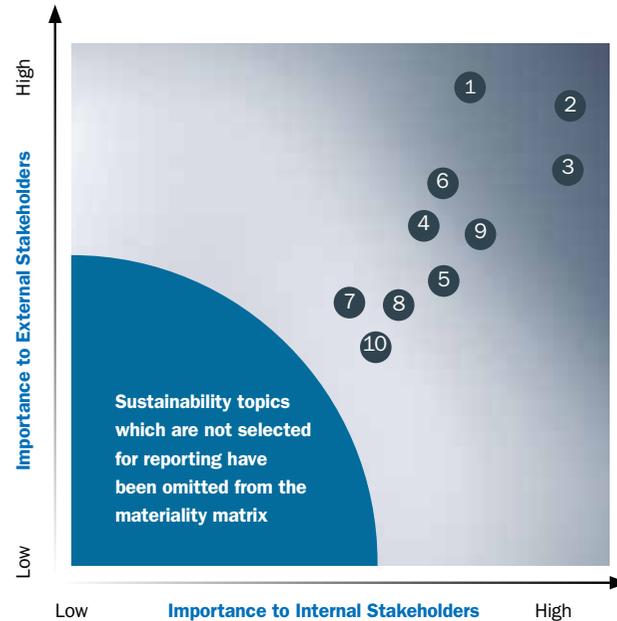
Key Stakeholder Groups	Key Concerns/ Interests Raised by Stakeholder Groups	Yanlord's Response	Modes of Engagement	Frequency of Engagement
<b>MEDIA</b> 	<ul style="list-style-type: none"> <li>• Business operations and performance</li> <li>• Sustainability initiatives of Yanlord</li> </ul>	<ul style="list-style-type: none"> <li>• Transparent and timely communication of both financial and non-financial information</li> </ul>	Annual Report, Circular to Shareholders and Sustainability Report	Annually
			Project launch functions (physical meetings resumed, with some events conducted virtually where the need arose due to small-scale COVID-19 outbreaks in certain regions in 2021)	As appropriate
			Announcements and media releases through Singapore Exchange's website, Company's website and/or via email alerts	As appropriate
			Physical interviews with Chairman and CEO and senior management executives resumed, with some interviews conducted virtually where the need arose due to smallscale COVID-19 outbreaks in certain regions in 2021	As appropriate
<b>REGULATORS</b> 	<ul style="list-style-type: none"> <li>• Corporate governance</li> <li>• Compliance with laws and regulations</li> </ul>	<ul style="list-style-type: none"> <li>• Ensure regulatory compliance</li> <li>• Closely monitoring new (including changes of) policies or measures introduced by relevant government departments to keep abreast with new rules and regulations developments</li> </ul>	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	Ongoing

## MATERIALITY ASSESSMENT

The Group takes into consideration its stakeholders' key concerns and strives to deliver value through its business operations. A materiality reassessment was conducted in FY 2020 in light of the changing business environment as well as the impacts brought about by the COVID-19 pandemic. Yanlord reviews its material topics on an annual basis to ensure their continued relevance to the Group's business. Following FY 2021's review, there were no changes to the top 10 material ESG topics identified in FY 2020. The materiality assessment process of Yanlord are set out as follows:

FY 2020 Materiality Assessment	FY 2021 Review
<p>In FY 2020, a formal materiality reassessment, which comprised of the following, was performed:</p> <ul style="list-style-type: none"> <li>• A list of 26 potential material ESG topics was identified for prioritisation through desktop research of existing material topics in Yanlord's previous reports, peers' latest reports, and sustainability reporting guidance issued by both the Singapore Exchange and the Hong Kong Exchange</li> <li>• Internal and external stakeholders were invited to prioritise these material topics through an anonymous voting exercise</li> <li>• Top 10 material ESG topics were reviewed by the Risk Management and Sustainability Committee and subsequently approved by the Board</li> </ul>	<p>In FY 2021, the ESG Management Committee conducted a review of the existing top 10 material ESG topics and they were deemed to be relevant across Yanlord's operations. The Risk Management and Sustainability Committee and the Board have subsequently reviewed and approved that the existing top 10 material ESG topics remained relevant to the business of the Group for FY 2021.</p>

Yanlord's materiality matrix:



S/N	ESG Category	Material Topics	GRI Topic-specific Standards	Boundary of Impact
1	Governance	Anti-corruption and Business Ethics	GRI 205	Within and Outside Yanlord
2	Governance	Compliance with Laws and Regulations	GRI 307 GRI 419	Within Yanlord
3	Social	Quality of Products and Services	GRI 416 GRI 102	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

## SUSTAINABLE DEVELOPMENT GOALS

In 2015, the United Nations General Assembly announced 17 UN SDGs to address global challenges in social, environmental, governance and economic aspects. These 17 goals and 169 sub-targets serve to guide nations on adopting the UN SDGs so as to achieve them by 2030.

In line with Yanlord's commitment towards sustainability, a high-level mapping has been conducted to determine the UN SDGs which the Group may make an impact on. A total of eleven most relevant UN SDGs has been adopted and the mapping of Yanlord's corresponding material ESG topics is summarised in the table below. The Sustainability Report will include more details such as specific initiatives mapped to the UN SDGs.

Material Topics	UN SDGs	
<b>Anti-corruption and Business Ethics</b>		<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
<b>Compliance with Laws and Regulations</b>		<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
<b>Quality of Products and Services</b>		<b>Goal 9</b> Build resilient infrastructure, promote inclusive and sustainable industrialisation and foster innovation
<b>Customer Privacy</b>		<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
<b>Employment and Training</b>		<b>Goal 8</b> Promote inclusive and sustainable economic growth, employment and decent work for all (promote safe and secure working environments)
<b>Occupational Health and Safety</b>		<b>Goal 8</b> Promote inclusive and sustainable economic growth, employment and decent work for all (promote safe and secure working environments)
		<b>Goal 10</b> Reduce inequality within and among countries
<b>Climate Change</b>		<b>Goal 7</b> Ensure access to affordable, reliable, sustainable and modern energy for all
		<b>Goal 12</b> Ensure sustainable consumption and production patterns
		<b>Goal 13</b> Take urgent action to combat climate change and its impacts

Material Topics	UN SDGs	
<b>Green Buildings</b>		<b>Goal 3</b> Ensure healthy lives and promote well-being for all at all ages
		<b>Goal 11</b> Make cities and human settlements inclusive, safe, resilient and sustainable
		<b>Goal 12</b> Ensure sustainable consumption and production patterns
<b>Economic Performance</b>		<b>Goal 8</b> Promote inclusive and sustainable economic growth, employment and decent work for all (promote safe and secure working environments)
		<b>Goal 9</b> Build resilient infrastructure, promote inclusive and sustainable industrialisation and foster innovation
<b>Local Community and Social Investment</b>		<b>Goal 1</b> End poverty in all its forms everywhere
		<b>Goal 4</b> Quality education

Further details on how Yanlord manages each material ESG topic, including the relevant policies, practices, performance, and targets will be shared in the Sustainability Report.

## 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, 2021.

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 90 to 183 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, 2021, 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 (Appointed on April 29, 2021)  
 Tan Chin Siong (Appointed on April 29, 2021)

### 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 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 registered in the name of directors		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>	82,506,500	103,682,000	1,278,390,000	1,278,390,000
Zhong Siliang <sup>(2)</sup>	320,000	320,000	30,095,000	30,095,000
Hong Pian Tee <sup>(3)</sup>	614,500	614,500	224,000	224,000

**Notes:**

<sup>(1)</sup> Zhong Sheng Jian is deemed to have an interest in 1,278,390,000 (2020 : 1,278,390,000) ordinary shares of the Company held by Yanlord Holdings Pte. Ltd. ("YHPL"). YHPL is a company which is owned by Zhong Sheng Jian (95% shareholding interest) and his spouse (5% shareholding interest).

<sup>(2)</sup> Zhong Siliang is deemed to have an interest in 30,095,000 (2020 : 30,095,000) ordinary shares of the Company held by Investor Growth Co., Limited, a company which is wholly-owned by Zhong Siliang.

<sup>(3)</sup> Hong Pian Tee is deemed to have an interest in 224,000 (2020 : 224,000) ordinary shares of the Company held by his spouse.

## 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 registered in the name of directors		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.</u> (Ordinary shares)				
Zhong Sheng Jian <sup>(1)</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	50,000	–	–
(ii) Senior notes due 2024 (US\$'000)				
Hee Theng Fong	750	750	–	–
<b>Related corporations</b>				
(i) <u>Yanlord Capital Pte. Ltd. ("YCPL")</u> (Ordinary shares)				
Zhong Sheng Jian <sup>(2)</sup>	–	–	1	1
(ii) <u>Yanlord Industries Pte. Ltd. ("YIPL")</u> (Ordinary shares)				
Zhong Sheng Jian <sup>(3)</sup>	–	–	1	1

**Notes:**

<sup>(1)</sup> Zhong Sheng Jian is deemed to have an interest in 5,000,000 (2020 : 5,000,000) ordinary shares of YHPL held by his spouse.

<sup>(2)</sup> Zhong Sheng Jian is deemed to have an interest in 1 (2020 : 1) ordinary share of YCPL held by YHPL.

<sup>(3)</sup> Zhong Sheng Jian is deemed to have an interest in 1 (2020 : 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, 2022 were the same as those as at December 31, 2021.

## 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 (Appointed on April 29, 2021)
Tan Chin Siong	Independent Non-Executive Director (Appointed on April 29, 2021)

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 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 25, 2022

# 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, 2021, 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 90 to 183.

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 (“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, 2021, 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

### Assessment of recoverable amounts for properties for development, completed properties for sale and properties under development for sale

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.

The accounting policies for the Properties are set out in Note 2 to the consolidated financial statements.

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.

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.

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.

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.

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.

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.

For properties for development, we compared the land cost to the recently transacted land price in the surrounding vicinity.

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.

Based on our procedures, we noted that management's estimate of recoverable amounts of the Properties are consistent with our understanding.

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.

# 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 carpark 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 and independence. 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 25, 2022

## STATEMENTS OF FINANCIAL POSITION

December 31, 2021

	Note	GROUP		COMPANY	
		2021 RMB'000	2020 RMB'000	2021 RMB'000	2020 RMB'000
<b>ASSETS</b>					
<b>Non-current assets</b>					
Property, plant and equipment	7	3,603,207	3,812,972	-	-
Investment properties	8	30,482,077	30,089,567	-	-
Right-of-use assets		223,542	259,078	-	-
Properties for development	9	9,919,786	7,321,261	-	-
Investments in subsidiaries	10	-	-	18,751,363	13,349,035
Investments in associates	11	2,061,148	2,154,048	-	-
Investments in joint ventures	12	10,110,532	8,338,863	-	-
Other receivables and deposits	14	2,409,445	2,656,144	-	-
Non-trade amounts due from:					
Associates	11	1,148,764	994,547	-	-
Joint ventures	12	1,799,988	2,781,997	-	-
Non-controlling shareholders of subsidiaries	13	757,977	767,977	-	-
Financial assets at fair value through other comprehensive income		393,034	383,076	-	-
Intangible asset	15	812	812	-	-
Deferred tax assets	16	577,930	640,577	-	-
Pledged bank deposits	17	-	91,259	-	-
<b>Total non-current assets</b>		<b>63,488,242</b>	<b>60,292,178</b>	<b>18,751,363</b>	<b>13,349,035</b>
<b>Current assets</b>					
Inventories		203,957	185,111	-	-
Completed properties for sale	9	10,000,588	9,689,284	-	-
Properties under development for sale	9	30,952,651	34,918,072	-	-
Trade receivables		930,122	349,649	-	-
Other receivables and deposits	14	5,454,748	4,593,715	-	2
Non-trade amounts due from:					
Subsidiaries	5	-	-	-	5,698,312
Associates	11	1,713,941	1,650,210	-	-
Joint ventures	12	10,030,971	10,700,082	-	-
Non-controlling shareholders of subsidiaries	13	8,781,371	6,177,506	-	-
Other related parties	6	4,735	4,757	-	-
Income tax prepayment		1,067,091	677,145	-	-
Pledged bank deposits	17	268,301	122,214	-	-
Cash and cash equivalents	17	21,551,718	17,199,902	4,098	1,114
<b>Total current assets</b>		<b>90,960,194</b>	<b>86,267,647</b>	<b>4,098</b>	<b>5,699,428</b>
<b>Total assets</b>		<b>154,448,436</b>	<b>146,559,825</b>	<b>18,755,461</b>	<b>19,048,463</b>

# STATEMENTS OF FINANCIAL POSITION

December 31, 2021

	Note	GROUP		COMPANY	
		2021 RMB'000	2020 RMB'000	2021 RMB'000	2020 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>27,013,954</b>	23,942,420	<b>(199,809)</b>	135,368
Equity attributable to owners of the Company		<b>34,275,680</b>	31,204,146	<b>7,061,917</b>	7,397,094
Non-controlling interests		<b>9,579,940</b>	9,413,419	–	–
Total equity		<b>43,855,620</b>	40,617,565	<b>7,061,917</b>	7,397,094
<b>Non-current liabilities</b>					
Bank and other borrowings – due after one year	21	<b>25,570,387</b>	26,736,704	–	–
Senior notes	22	<b>7,915,018</b>	7,783,718	–	–
Lease liabilities		<b>163,527</b>	206,490	–	–
Deferred tax liabilities	16	<b>4,620,894</b>	4,544,458	–	–
Other payables	24	<b>285,350</b>	308,764	–	–
Non-trade amounts due to:					
Joint venture	12	<b>200,000</b>	200,000	–	–
Non-controlling shareholder of a subsidiary	13	<b>176,106</b>	–	–	–
Put liability to acquire non-controlling interests	18	<b>338,432</b>	333,380	–	–
Deferred income		<b>100,604</b>	382,106	–	–
Total non-current liabilities		<b>39,370,318</b>	40,495,620	–	–
<b>Current liabilities</b>					
Bank and other borrowings – due within one year	21	<b>9,189,332</b>	7,990,620	–	–
Senior notes	22	–	224,379	–	–
Lease liabilities		<b>71,681</b>	65,863	–	–
Trade payables	23	<b>10,651,900</b>	10,464,094	–	–
Other payables	24	<b>4,056,293</b>	4,076,676	<b>4,672</b>	4,512
Contract liabilities	25	<b>23,399,875</b>	23,940,774	–	–
Non-trade amounts due to:					
Subsidiaries	5	–	–	<b>11,647,479</b>	11,503,715
Associates	11	<b>792,795</b>	1,062,119	–	–
Joint ventures	12	<b>12,267,340</b>	7,645,737	–	–
Directors	6	<b>41,893</b>	143,642	<b>41,393</b>	143,142
Non-controlling shareholders of subsidiaries	13	<b>3,104,939</b>	2,329,755	–	–
Other related parties	6	<b>16,606</b>	19,805	–	–
Income tax payable		<b>7,629,844</b>	6,324,696	–	–
Put liability to acquire non-controlling interest	18	–	1,158,480	–	–
Total current liabilities		<b>71,222,498</b>	65,446,640	<b>11,693,544</b>	11,651,369
<b>Total equity and liabilities</b>		<b>154,448,436</b>	146,559,825	<b>18,755,461</b>	19,048,463

See accompanying notes to financial statements.

## CONSOLIDATED STATEMENT OF PROFIT OR LOSS

Financial year ended December 31, 2021

	Note	GROUP	
		2021 RMB'000	2020 RMB'000
<b>Revenue</b>	25	<b>34,833,134</b>	23,918,075
<b>Cost of sales</b>		<b>(25,901,002)</b>	(15,210,025)
<b>Gross profit</b>		<b>8,932,132</b>	8,708,050
Other operating income and other gains	26	<b>700,859</b>	1,060,074
Fair value gain on investment properties	8	<b>133,405</b>	1,119,581
Selling expenses		<b>(621,200)</b>	(630,259)
Administrative expenses		<b>(1,568,582)</b>	(1,233,435)
Other operating expenses		<b>(39,192)</b>	(17,981)
Finance cost	27	<b>(1,031,130)</b>	(1,540,895)
Share of profit (loss) of associates	11	<b>37,303</b>	(18,068)
Share of profit of joint ventures	12	<b>1,213,233</b>	37,609
<b>Profit before income tax</b>		<b>7,756,828</b>	7,484,676
Income tax	28	<b>(3,719,414)</b>	(3,832,320)
<b>Profit for the year</b>	29	<b>4,037,414</b>	3,652,356
<b>Profit attributable to:</b>			
Owners of the Company		<b>2,656,030</b>	2,591,883
Non-controlling interests		<b>1,381,384</b>	1,060,473
		<b>4,037,414</b>	3,652,356
Earnings per share (Renminbi cents)	30		
– Basic		<b>137.51</b>	134.19
– Diluted		<b>137.51</b>	134.19

See accompanying notes to financial statements.

## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Financial year ended December 31, 2021

	Note	GROUP	
		2021 RMB'000	2020 RMB'000
<b>Profit for the year</b>	29	<b>4,037,414</b>	3,652,356
<b>Other comprehensive income:</b>			
<u>Items that will not be reclassified subsequently to profit or loss:</u>			
Currency translation difference		<b>(749,742)</b>	(388,059)
Change in fair value of financial assets at fair value through other comprehensive income	4 (c)(vi)	<b>12,197</b>	63,322
Remeasurements of defined benefit pension plans		<b>3,736</b>	1,443
Income tax relating to components of other comprehensive income		<b>(713)</b>	(271)
<u>Items that may be reclassified subsequently to profit or loss:</u>			
Currency translation difference		<b>753,400</b>	1,162,926
Share of other comprehensive expense of a joint venture		<b>(7)</b>	–
Share of other comprehensive income of associates		<b>6,870</b>	5,188
<b>Other comprehensive income for the year, net of tax</b>		<b>25,741</b>	844,549
<b>Total comprehensive income for the year</b>		<b>4,063,155</b>	4,496,905
<b>Total comprehensive income attributable to:</b>			
Owners of the Company		<b>2,725,572</b>	3,438,680
Non-controlling interests		<b>1,337,583</b>	1,058,225
		<b>4,063,155</b>	4,496,905

See accompanying notes to financial statements.

## STATEMENTS OF CHANGES IN EQUITY

Financial year ended December 31, 2021

Note	Share capital RMB'000	Treasury shares RMB'000	Currency	Statutory reserve RMB'000	Merger deficit RMB'000	Other reserve RMB'000	Accumulated profits RMB'000	Equity	Non-controlling interests RMB'000	Total RMB'000
			translation reserve RMB'000					attributable to owners of the Company RMB'000		
(Note 20)										
<b>GROUP</b>										
Balance at January 1, 2020	7,261,726	(132,309)	(1,081,360)	2,212,391	(1,834,019)	(2,790,122)	24,610,483	28,246,790	11,660,464	39,907,254
Total comprehensive income for the year:										
Profit for the year	-	-	-	-	-	-	2,591,883	2,591,883	1,060,473	3,652,356
Other comprehensive income for the year	-	-	777,490	-	-	68,496	811	846,797	(2,248)	844,549
Total	-	-	777,490	-	-	68,496	2,592,694	3,438,680	1,058,225	4,496,905
Transactions with owners, recognised directly in equity:										
Acquisition of subsidiaries	33	-	-	-	-	-	-	-	1,959,969	1,959,969
Change of interest in subsidiaries		-	-	32,434	-	487,382	-	519,816	(2,201,258)	(1,681,442)
Change of control from a subsidiary to a joint venture		-	-	(25,901)	-	-	25,901	-	(61,881)	(61,881)
Capital injection from non-controlling shareholders		-	-	-	-	-	-	-	1,415,227	1,415,227
Capital withdrawal by non-controlling shareholders		-	-	-	-	-	-	-	(413,920)	(413,920)
Dividends	31	-	-	-	-	-	(660,715)	(660,715)	-	(660,715)
Dividends declared to non-controlling shareholders		-	-	-	-	-	-	-	(4,003,407)	(4,003,407)
Share of share option reserve from associates		-	-	-	-	(85)	-	(85)	-	(85)
Put liability to acquire non-controlling interest	18	-	-	-	-	(340,340)	-	(340,340)	-	(340,340)
Appropriations		-	-	1,047,605	-	-	(1,047,605)	-	-	-
Total	-	-	-	1,054,138	-	146,957	(1,682,419)	(481,324)	(3,305,270)	(3,786,594)
Balance at December 31, 2020	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

# STATEMENTS OF CHANGES IN EQUITY

Financial year ended December 31, 2021

Note	Share capital RMB'000	Treasury shares RMB'000	Currency	Statutory reserve RMB'000	Merger deficit RMB'000	Other reserve RMB'000	Accumulated profits RMB'000	Equity	Non-controlling interests RMB'000	Total RMB'000
			translation reserve RMB'000					attributable to owners of the Company 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 an associate		-	-	-	-	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)
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, 2021

	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, 2020		7,261,726	(132,309)	286,387	284,926	7,700,730
Total comprehensive income for the year:						
Profit for the year		-	-	-	702,616	702,616
Other comprehensive expense for the year		-	-	(345,537)	-	(345,537)
Total		-	-	(345,537)	702,616	357,079
Transaction with owners, recognised directly in equity:						
Dividends	31	-	-	-	(660,715)	(660,715)
Total		-	-	-	(660,715)	(660,715)
Balance at December 31, 2020		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

## CONSOLIDATED STATEMENT OF CASH FLOWS

Financial year ended December 31, 2021

	Note	GROUP	
		2021 RMB'000	2020 RMB'000
<b>Operating activities</b>			
Profit before income tax		<b>7,756,828</b>	7,484,676
Adjustments for:			
Allowance for doubtful debts and bad debts written-off		<b>79,988</b>	10
Depreciation expense		<b>322,198</b>	316,030
Dividend income from financial assets at fair value through other comprehensive income		<b>(12,877)</b>	(12,612)
Fair value gain on investment properties		<b>(133,405)</b>	(1,119,581)
Fair value gain on financial asset at fair value through profit or loss		<b>(153)</b>	(210)
Fair value gain from put liability to acquire non-controlling interests		<b>(60,199)</b>	(1,250)
Finance cost		<b>1,031,130</b>	1,540,895
Interest income		<b>(284,965)</b>	(560,619)
Gain on remeasurement of retained interests in joint ventures		<b>(111,715)</b>	(126,503)
Net gain on disposal of property, plant and equipment		<b>(3,700)</b>	(1,119)
Net gain on disposal of investment properties		<b>(362)</b>	(1,436)
Provision for development charge written-back		-	(75,416)
Share of (profit) loss of associates		<b>(37,303)</b>	18,068
Share of profit of joint ventures		<b>(1,213,233)</b>	(37,609)
Gain on change of control from subsidiaries to joint ventures		<b>(1,038)</b>	-
Gain on disposal of subsidiaries		<b>(71,576)</b>	(20,122)
Operating cash flows before movements in working capital		<b>7,259,618</b>	7,403,202
Properties for development		<b>(8,110,844)</b>	(2,067,093)
Inventories		<b>(18,745)</b>	22,703
Completed properties for sale		<b>17,767,075</b>	5,547,393
Properties under development for sale		<b>(2,305,816)</b>	(1,659,443)
Trade and other receivables and deposits		<b>(2,049,253)</b>	(1,266,738)
Trade and other payables		<b>1,105,840</b>	386,623
Contract liabilities		<b>(6,663,628)</b>	1,097,415
Cash generated from operations		<b>6,984,247</b>	9,464,062
Interest paid		<b>(2,491,611)</b>	(2,847,408)
Income tax paid		<b>(2,406,611)</b>	(2,734,331)
Net cash from operating activities		<b>2,086,025</b>	3,882,323

# CONSOLIDATED STATEMENT OF CASH FLOWS

Financial year ended December 31, 2021

	Note	GROUP	
		2021 RMB'000	2020 RMB'000
<b>Investing activities</b>			
Acquisition of subsidiaries	33	665,405	942,311
Change of control from subsidiaries to joint ventures	34	(19,171)	(107,938)
Investments in associates		(199,354)	(5,818)
Investments in joint ventures		(1,095,563)	(348,255)
Proceed from capital reduction of a joint venture		196,470	–
Dividend received from associates		4,599	3,277
Dividend received from joint ventures		4,999	–
Dividend received from financial assets at fair value through other comprehensive income		8,733	12,612
Interest received		210,630	278,462
(Increase) Decrease in pledged bank deposits		(54,828)	256,085
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		8,268	4,609
Proceeds on disposal of investment properties		714	2,856
Proceeds on disposal of financial asset at fair value through profit or loss		26,043	15,510
Payment for property, plant and equipment		(108,396)	(78,481)
Payment for investment properties		(696,589)	(785,965)
Purchase of financial assets at fair value through other comprehensive income		(5,162)	(5,370)
Purchase of financial asset at fair value through profit or loss		(25,890)	(15,300)
Advance to associates		(620,995)	(948,392)
Repayment from associates		530,624	593,302
Advance to joint ventures		(2,685,843)	(4,592,042)
Repayment from joint ventures		7,596,273	6,569,580
Advance to non-controlling shareholders of subsidiaries		(2,297,469)	(2,671,303)
Advance to a related party		–	(4,000)
<b>Net cash from (used in) investing activities</b>		<b>2,217,439</b>	<b>(884,260)</b>
<b>Financing activities</b>			
Dividends paid	31	(640,540)	(660,715)
Dividends paid to non-controlling shareholders of subsidiaries		(6,067)	(242,745)
Net proceeds on issue of senior notes		3,199,303	–
Redemption of senior notes		(3,132,166)	(527,671)
Proceeds from bank and other borrowings		14,549,940	21,586,609
Repayment of bank and other borrowings		(14,492,078)	(24,512,237)
Repayment of lease liabilities		(73,635)	(80,109)
Advance from associates		75,476	177,926
Advance from joint ventures		81,890	4,191,870
(Repayment to) Advance from directors		(99,058)	29,283
Advance from non-controlling shareholders of subsidiaries		3,751,089	1,240,259
Repayment to non-controlling shareholders of subsidiaries		(1,583,548)	(451,237)
(Repayment to) Advance from other related parties		(3,199)	11,301
Capital injection from non-controlling shareholders of subsidiaries		419,258	1,415,227
Capital withdrawal by non-controlling shareholders of subsidiaries		(762,475)	(413,920)
Acquisition of non-controlling interests in subsidiaries		(1,083,813)	(1,161,969)
<b>Net cash from financing activities</b>		<b>200,377</b>	<b>601,872</b>
Net increase in cash and cash equivalents		4,503,841	3,599,935
Cash and cash equivalents at beginning of year	17	17,199,902	13,817,589
Effect of exchange rate changes on the balance of cash held in foreign currencies		(152,025)	(217,622)
<b>Cash and cash equivalents at end of year</b>	17	<b>21,551,718</b>	<b>17,199,902</b>

See accompanying notes to financial statements.

# NOTES TO FINANCIAL STATEMENTS

December 31, 2021

## 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, 2021 were authorised for issue by the Board of Directors on March 25, 2022.

## 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 Singapore Companies Act, 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, 2021, 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, 2021

### 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, 2021

## 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
- 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.

# NOTES TO FINANCIAL STATEMENTS

December 31, 2021

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

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 LIABILITIES 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, 2021

## 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.

#### 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; and are not subject to impairment assessment. 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.

# NOTES TO FINANCIAL STATEMENTS

December 31, 2021

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

### 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
- 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.

# NOTES TO FINANCIAL STATEMENTS

December 31, 2021

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

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.

### *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.

## NOTES TO FINANCIAL STATEMENTS

December 31, 2021

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

#### *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.

#### 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.

# NOTES TO FINANCIAL STATEMENTS

December 31, 2021

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

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:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise;
- 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.

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.

# NOTES TO FINANCIAL STATEMENTS

December 31, 2021

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

### *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.

### **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.

# NOTES TO FINANCIAL STATEMENTS

December 31, 2021

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

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.

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.

## NOTES TO FINANCIAL STATEMENTS

December 31, 2021

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

#### 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.

**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.

## NOTES TO FINANCIAL STATEMENTS

December 31, 2021

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

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.

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 ASSET** – This relates to a club membership held on a long-term basis and is 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.

## NOTES TO FINANCIAL STATEMENTS

December 31, 2021

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

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.

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.

# NOTES TO FINANCIAL STATEMENTS

December 31, 2021

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

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.

**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 liabilities 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 liabilities 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.

## NOTES TO FINANCIAL STATEMENTS

December 31, 2021

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

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.

#### 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.

# NOTES TO FINANCIAL STATEMENTS

December 31, 2021

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

### 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.

### 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.

## NOTES TO FINANCIAL STATEMENTS

December 31, 2021

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

**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.

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.

# NOTES TO FINANCIAL STATEMENTS

December 31, 2021

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

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.

**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).

# NOTES TO FINANCIAL STATEMENTS

December 31, 2021

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

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.

#### 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.

# NOTES TO FINANCIAL STATEMENTS

December 31, 2021

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

### 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 RMB50.873 billion as at December 31, 2021 (2020 : RMB51.929 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 both 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.

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.

#### 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.

## NOTES TO FINANCIAL STATEMENTS

December 31, 2021

### 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	
	2021 RMB'000	2020 RMB'000	2021 RMB'000	2020 RMB'000
<b>Financial assets</b>				
Financial assets at amortised cost (including cash and cash equivalents)	<b>52,498,839</b>	45,675,351	<b>4,098</b>	5,699,426
Financial assets at FVTOCI	<b>393,034</b>	383,076	–	–
	<b>52,891,873</b>	46,058,427	<b>4,098</b>	5,699,426
<b>Financial liabilities</b>				
Financial liabilities at amortised cost	<b>73,201,095</b>	68,446,545	<b>11,693,544</b>	11,651,369
Financial liabilities at FVTPL:				
Put liabilities to acquire non-controlling interests	<b>338,432</b>	1,491,860	–	–
	<b>73,539,527</b>	69,938,405	<b>11,693,544</b>	11,651,369

#### (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 positions RMB'000	Net amounts of financial assets presented in the statements of financial position RMB'000
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##### GROUP

###### 2021

Non-trade amounts due from non-controlling shareholders of subsidiaries	<b>9,558,700</b>	<b>(19,352)</b>	<b>9,539,348</b>
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###### 2020

Non-trade amounts due from non-controlling shareholders of subsidiaries	6,956,811	(11,328)	6,945,483
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# NOTES TO FINANCIAL STATEMENTS

December 31, 2021

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

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

#### 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 positions RMB'000	Net amounts of financial liabilities presented in the statements of financial position RMB'000
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#### GROUP

##### 2021

Non-trade amounts due to non-controlling shareholders of subsidiaries	3,300,397	(19,352)	3,281,045
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##### 2020

Non-trade amounts due to non-controlling shareholders of subsidiaries	2,341,083	(11,328)	2,329,755
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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.

### (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.

## NOTES TO FINANCIAL STATEMENTS

December 31, 2021

### 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)

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	
	2021	2020	2021	2020	2021	2020	2021	2020
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
US dollar	9,379	323,227	91,583	69,192	-	-	395	52
HK dollar	1,448	527,491	382,882	395,385	-	-	2,319	181
SG dollar	-	-	11,651,989	11,508,973	-	-	-	-
RMB	975,170	943,947	2,820,818	3,154,737	-	-	275	150

##### 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.

	US dollar impact		HK dollar impact		SG dollar impact		RMB impact	
	2021	2020	2021	2020	2021	2020	2021	2020
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000

#### GROUP

(Decrease) Increase								
in profit before								
income tax	(2,394)	7,399	(11,110)	3,848	(131)	(153)	(14)	(856)
Decrease								
in other equity	-	-	-	-	(339,247)	(335,060)	(53,743)	(63,536)

#### COMPANY

Decrease								
in profit before								
income tax	(12)	(2)	(68)	(5)	-	-	(8)	(4)

# NOTES TO FINANCIAL STATEMENTS

December 31, 2021

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

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

#### (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, 2021 would increase/decrease respectively by RMB301 million (2020 : increase/decrease respectively by RMB281 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.

#### (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.

## NOTES TO FINANCIAL STATEMENTS

December 31, 2021

### 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 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 undistributed retained earnings of the subsidiaries yet to be distributed as dividends and future earnings that are expected to be distributed by the subsidiaries to the non-controlling shareholders (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, 2021

## 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 to be performing considering that they have not had a significant increase in credit risk since initial recognition and risk of default is insignificant, and therefore, no impairment has been recognised.

As at December 31, 2021, 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 RMB14.629 billion (2020 : RMB13.159 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 RMB1.703 billion (2020 : RMB2.412 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, 2021, the Group had available RMB7.500 billion (2020 : RMB8.533 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, 2021

### 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
<b>GROUP</b>							
<b>2021</b>							
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>
<b>2020</b>							
Non-interest bearing	-	20,456,540	802,180	39,964	-	-	21,298,684
Variable interest rate instruments	4.5	6,238,703	8,670,998	12,209,660	5,636,755	(4,942,730)	27,813,386
Fixed interest rate instruments	5.9	8,354,047	5,209,458	8,380,068	116,356	(1,233,594)	20,826,335
<b>Total</b>		<b>35,049,290</b>	<b>14,682,636</b>	<b>20,629,692</b>	<b>5,753,111</b>	<b>(6,176,324)</b>	<b>69,938,405</b>

## NOTES TO FINANCIAL STATEMENTS

December 31, 2021

### 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)*

	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	Total RMB'000
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#### **COMPANY**

##### **2021**

Non-interest bearing	–	<b>11,693,544</b>	–	–	–	<b>11,693,544</b>
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##### **2020**

Non-interest bearing	–	11,651,369	–	–	–	11,651,369
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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>2021</b>	<b>15,873,184</b>	<b>291,000</b>	<b>140,000</b>	<b>28,000</b>	<b>16,332,184</b>
<b>2020</b>	13,158,560	1,665,000	737,000	10,000	15,570,560

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

## NOTES TO FINANCIAL STATEMENTS

December 31, 2021

### 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)*

##### 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
<b>GROUP</b>						
<b>2021</b>						
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>
<b>2020</b>						
Non-interest bearing	-	27,282,236	5,422,571	380,086	-	33,084,893
Fixed interest rate instruments	6.2	12,479,561	975,112	472,321	(953,460)	12,973,534
<b>Total</b>		<b>39,761,797</b>	<b>6,397,683</b>	<b>852,407</b>	<b>(953,460)</b>	<b>46,058,427</b>

As at December 31, 2021, the Company's non-derivative financial assets are mainly non-interest bearing with expected maturity within 1 year (2020 : 1 year).

# NOTES TO FINANCIAL STATEMENTS

December 31, 2021

## 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
	2021 RMB'000	2020 RMB'000				
<b>GROUP</b>						
Put liabilities to acquire non- controlling interests	<b>(338,432)</b>	(1,491,860)	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 1.5 years at 9.0% per annum (2020 : 0.7 year and 1.5 years at 5.3% and 9.0% per annum respectively)	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>10,373</b>	10,712	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 9.7% (2020 : 10.1%) 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>140,161</b>	151,941	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>122,500</b>	100,423	Level 1	Quoted bid prices in an active market.	Not applicable	Not applicable

## NOTES TO FINANCIAL STATEMENTS

December 31, 2021

### 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)*

- <sup>(1)</sup> As at December 31, 2021, 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 liabilities to acquire non-controlling interests by RMB4 million (2020 : RMB7 million).
- <sup>(2)</sup> As at December 31, 2021, 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 RMB11 million (2020 : RMB11 million), while a 100 basis points decrease in the discount rate would increase the fair value of financial asset at FVTOCI by RMB14 million (2020 : RMB13 million).

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 RMB12 million (2020 : RMB63 million).

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

	Put liabilities to acquire non-controlling interests RMB'000	Financial assets at FVTOCI RMB'000	Total RMB'000
<b>GROUP</b>			
At January 1, 2020	(1,152,770)	186,469	(966,301)
Addition	(1,158,480)	–	(1,158,480)
Repayment of liability	818,140	–	818,140
Total gains or losses			
– In profit or loss	1,250	–	1,250
– In other comprehensive income	–	96,610	96,610
Exchange difference	–	(426)	(426)
At December 31, 2020	(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	–	(11,785)	(11,785)
Exchange difference	–	(334)	(334)
At December 31, 2021	(338,432)	270,534	(67,898)

## NOTES TO FINANCIAL STATEMENTS

December 31, 2021

### 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 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:

	2021		2020	
	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	<b>7,915,018</b>	<b>7,994,729</b>	8,008,097	8,376,600

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, 2021

### 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	
	2021 RMB'000	2020 RMB'000
Total debt	<b>43,041,141</b>	42,881,923
Cash and cash equivalents	<b>(21,551,718)</b>	(17,199,902)
Net debt	<b>21,489,423</b>	25,682,021
Equity	<b>43,855,620</b>	40,617,565
Net debt to equity ratio	<b>49.0%</b>	63.2%

The Group's overall strategy remains unchanged from 2020. 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, 2021

### 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	
	2021 RMB'000	2020 RMB'000
Sales of properties to key management personnel and close members of their families	22,711	10,905
Interest income from associates	64,298	48,919
Interest income from joint ventures	87,086	274,380
Other income from associates	32,965	70,468
Other income from joint ventures	286,415	138,998
Other income from related parties	5,441	5,176
Development cost to joint ventures	–	4,362
Interest expense to joint ventures	85,162	101,431
Other expense to an associate	9,434	–
Other expense to a joint venture	10	5,222

As at December 31, 2021, 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 RMB20 million and RMB21 million (2020 : RMB2 million and RMB2 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 RMB15 million and RMB0.4 million (2020 : RMB12 million and RMB0.4 million) respectively. As at December 31, 2021, the Group has contracted with a joint venture for future minimum lease receipts of RMB1.356 billion (2020 : RMB1.403 billion). As at December 31, 2021, advance amounting to RMB6 million (2020 : RMB Nil) has been received from a joint venture in respect of the lease of properties.

As at December 31, 2021, the Group has recorded pre-sales of properties totaling RMB41 million (2020 : RMB42 million) to key management and close members of their families. As at December 31, 2021, the Group has pre-sales of properties totaling RMB10 million (2020 : RMB Nil) to a joint venture. As at December 31, 2021, advances amounting to RMB14 million and RMB9 million (2020 : RMB20 million and RMB Nil) have been received from key management and close members of their families as well as a joint venture in relation to the pre-sales of properties.

As at December 31, 2021, the Group has contracted with key management and close members of their families in relation to provision of repair and maintenance service amounting to RMB2 million (2020 : RMB Nil). As at December 31, 2021, advances amounting to RMB2 million (2020 : RMB Nil) have been received from key management and close members of their families in relation to provision of repair and maintenance 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	
	2021 RMB'000	2020 RMB'000
Short-term benefits	101,541	103,995
Post-employment benefits	2,172	1,239
	103,713	105,234

## NOTES TO FINANCIAL STATEMENTS

December 31, 2021

### 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>							
Cost:							
At January 1,2020	196,243	3,576,670	92,340	360,334	213,915	347	4,439,849
Additions	10,970	1,896	3,206	26,056	32,901	3,452	78,481
Transfer from completed properties for sales	–	50,746	–	–	–	–	50,746
Transfer from inventories	–	–	–	5,528	–	–	5,528
Acquisition of subsidiaries	–	–	749	964	–	–	1,713
Change of control from subsidiaries to joint ventures	–	–	–	(189)	–	–	(189)
Disposals	–	–	(17,585)	(5,714)	(8,590)	–	(31,889)
Reclassification	(5,048)	8,712	(95)	(4,811)	1,589	(347)	–
Exchange difference	(10,968)	(9,955)	(270)	(1,611)	10,803	–	(12,001)
At December 31, 2020	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
Accumulated depreciation:							
At January 1,2020	1,523	274,192	63,711	170,145	67	–	509,638
Depreciation for the year	6,043	136,981	9,814	49,369	36,597	–	238,804
Eliminated on disposals	–	–	(15,917)	(5,493)	(6,989)	–	(28,399)
Change of control from subsidiaries to joint ventures	–	–	–	(72)	–	–	(72)
Reclassification	–	1,729	(227)	(1,502)	–	–	–
Exchange difference	(184)	(8,753)	(282)	7,550	964	–	(705)
At December 31, 2020	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
Carrying amount:							
At December 31, 2021	169,019	3,075,421	16,429	132,508	209,830	–	3,603,207
At December 31, 2020	183,815	3,223,920	21,246	160,560	219,979	3,452	3,812,972

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December 31, 2021

### 7 PROPERTY, PLANT AND EQUIPMENT (Cont'd)

In 2021, depreciation for the year includes an amount of RMB2 million (2020 : 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 motor vehicles pledged to banks and other lenders to secure bank and other borrowings are disclosed in Note 21.

### 8 INVESTMENT PROPERTIES

	GROUP	
	2021 RMB'000	2020 RMB'000
At fair value:		
Balance as at beginning of year	<b>30,089,567</b>	27,942,862
Additions	<b>696,589</b>	860,345
Change in fair value	<b>133,405</b>	1,119,581
Disposals	<b>(352)</b>	(1,420)
Transfer to completed properties for sale	<b>(15,163)</b>	–
Transfer from properties under development for sale	–	624,894
Transfer from construction-in-progress	<b>3,240</b>	–
Exchange difference	<b>(425,209)</b>	(456,695)
Balance as at end of year	<b>30,482,077</b>	30,089,567

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, other than two completed investment properties and one investment property under construction.

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, 2021

### 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>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 carpark 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 carpark unit <sup>(2)</sup>	RMB150,000
	<u>30,482,077</u>			
<b>2020</b>				
Completed investment properties	23,589,607 <sup>(1)</sup>	Direct comparison approach	price per square metre <sup>(2)</sup>	RMB11,703 – RMB198,311
		Income capitalisation approach	market rent per square metre per month <sup>(2)</sup>	RMB26 – RMB409
			capitalisation rate <sup>(3)</sup>	2.8% – 7.3%
Car parking spaces	1,511,960	Direct comparison approach	price per carpark unit <sup>(2)</sup>	RMB117,500 – RMB339,827
Investment properties under construction	4,988,000	Residual approach	price per square metre <sup>(2)</sup>	RMB24,323 – RMB39,738
			price per carpark unit <sup>(2)</sup>	RMB150,000
		Direct comparison approach <sup>(4)</sup>	price per square metre <sup>(2)</sup>	RMB14,508
	<u>30,089,567</u>			

## NOTES TO FINANCIAL STATEMENTS

December 31, 2021

### 8 INVESTMENT PROPERTIES (Cont'd)

- (1) 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.
- (2) Any significant isolated increases (decreases) in these inputs would result in a significantly higher (lower) fair value measurement.
- (3) Any significant isolated increases (decreases) in these inputs would result in a significantly lower (higher) fair value measurement.
- (4) The valuation of investment property at an early development stage had been arrived at by direct comparison approach that reflected recent transaction prices for similar land and adjusted by incurred construction cost.

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 RMB857 million (2020 : RMB804 million). Direct operating expenses arising on the investment properties in the year amounted to RMB47 million (2020 : RMB30 million).

### 9 PROPERTIES FOR DEVELOPMENT/COMPLETED PROPERTIES FOR SALE/PROPERTIES UNDER DEVELOPMENT FOR SALE

	GROUP	
	2021 RMB'000	2020 RMB'000
At cost:		
Properties for development (Non-current assets)	<b>9,919,786</b>	7,321,261
Completed properties for sale (Current assets)	<b>10,000,588</b>	9,689,284
Properties under development for sale (Current assets)	<b>30,952,651</b>	34,918,072
	<b>50,873,025</b>	51,928,617

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	
	2021 RMB'000	2020 RMB'000
Properties for development	<b>947,505</b>	775,005
Completed properties for sale	<b>607,662</b>	888,545
Properties under development for sale	<b>2,494,549</b>	2,416,150

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

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### 10 INVESTMENTS IN SUBSIDIARIES

	COMPANY	
	2021 RMB'000	2020 RMB'000
Unquoted equity shares, at cost	<b>18,751,363</b>	13,349,035

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
		2021	2020	
		%	%	

#### 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, 2021

### 10 INVESTMENTS IN SUBSIDIARIES (Cont'd)

Name of subsidiary	Place of incorporation (or residence)	Proportion of ownership interest and voting power held		Principal activities
		2021	2020	
		%	%	
<u>Held by Yanlord Commercial Property Investments Pte. Ltd. and its subsidiaries (Cont'd)</u>				
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	Property development
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 facilities management and leasing
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
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

## NOTES TO FINANCIAL STATEMENTS

December 31, 2021

### 10 INVESTMENTS IN SUBSIDIARIES (Cont'd)

Name of subsidiary	Place of incorporation (or residence)	Proportion of ownership interest and voting power held		Principal activities
		2021 %	2020 %	
Held by Yanlord Commercial Property Investments Pte. Ltd. and its subsidiaries (Cont'd)				
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
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	Dormant

## NOTES TO FINANCIAL STATEMENTS

December 31, 2021

### 10 INVESTMENTS IN SUBSIDIARIES (Cont'd)

Name of subsidiary	Place of incorporation (or residence)	Proportion of ownership interest and voting power held		Principal activities
		2021	2020	
		%	%	
<u>Held by Yanlord Commercial Property Investments Pte. Ltd. and its subsidiaries (Cont'd)</u>				
O'Connor's (B) Sdn Bhd <sup>(5) (a)</sup>	Brunei	–	99	Struck off
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 Future Agriworld Co., Ltd. <sup>(a)</sup>	PRC	<b>83</b>	83	Agribusiness exhibition and trade emporium centre
Suzhou Wearnes Technology Co., Ltd. <sup>(a)</sup>	PRC	<b>99</b>	99	Investment holding
UE Park Avenue (Shanghai) Hotel Management Co., Ltd. <sup>(3) (a)</sup>	PRC	<b>100</b>	–	Hotel and serviced apartment management
UE (Shanghai) Enterprise Management Co., Ltd. <sup>(a)</sup>	PRC	<b>100</b>	100	Business management

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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
		2021 %	2020 %	
<u>Held by Yanlord Commercial Property Investments Pte. Ltd. and its subsidiaries (Cont'd)</u>				
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
<u>Held by Yanlord Land Pte. Ltd. and its subsidiaries</u>				
Palovale Pte Ltd <sup>(a)</sup> 柏龙威有限公司	Singapore	<b>67</b>	67	Investment holding
Yanlord Property Pte. Ltd. <sup>(a)</sup> 仁恒地产有限公司	Singapore	<b>100</b>	100	Investment holding
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>(a)</sup> 东亨投资有限公司	Hong Kong	<b>100</b>	100	Investment holding
Flourish Fair Limited <sup>(a)</sup> 茂芝有限公司	Hong Kong	<b>80</b>	80	Investment holding

## NOTES TO FINANCIAL STATEMENTS

December 31, 2021

### 10 INVESTMENTS IN SUBSIDIARIES (Cont'd)

Name of subsidiary	Place of incorporation (or residence)	Proportion of ownership interest and voting power held		Principal activities
		2021	2020	
		%	%	
<u>Held by Yanlord Land Pte. Ltd. and its subsidiaries (Cont'd)</u>				
Successful Global Consultancy Co., Limited <sup>(a)</sup> 成顺环球咨询有限公司	Hong Kong	<b>100</b>	100	Management services
Greens Investments Ltd. <sup>(a)</sup> 绿色投资有限公司	British Virgin Islands	<b>100</b>	100	Investment holding
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>(3) (b)</sup> 成都恒邑生活服务有限公司	PRC	<b>100</b>	–	Accommodation, food and beverage
Chengdu Renjing Real Estate Co., Ltd. <sup>(3) (b)</sup> 成都仁璟置业有限公司	PRC	<b>100</b>	–	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
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

## NOTES TO FINANCIAL STATEMENTS

December 31, 2021

### 10 INVESTMENTS IN SUBSIDIARIES (Cont'd)

Name of subsidiary	Place of incorporation (or residence)	Proportion of ownership interest and voting power held		Principal activities
		2021 %	2020 %	
<u>Held by Yanlord Land Pte. Ltd. and its subsidiaries (Cont'd)</u>				
Dongguan Renyuan Tianchen Real Estate Co., Ltd. <sup>(3) (b)</sup> 东莞市仁远天宸置业有限公司	PRC	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	100	100	Property management
Guangzhou Renyuan Tianchen Real Estate Co., Ltd. <sup>(3) (b)</sup> 广州市仁远天宸置业有限公司	PRC	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	51	51	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) (3) (b)</sup> 杭州科睿文化科技有限公司	PRC	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>(3) (b)</sup> 杭州仁成房地产开发有限公司	PRC	100	–	Property development

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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
		2021	2020	
		%	%	
<u>Held by Yanlord Land Pte. Ltd. and its subsidiaries (Cont'd)</u>				
Hangzhou Renhui Property Development Co., Ltd. <sup>(b)</sup> 杭州仁惠房地产开发有限公司	PRC	<b>100</b>	100	Property development
Hangzhou Renrui Property Development Co., Ltd. <sup>(3) (b)</sup> 杭州仁瑞房地产开发有限公司	PRC	<b>100</b>	–	Property development
Hangzhou Renyong Property Development Co., Ltd. <sup>(3) (b)</sup> 杭州仁永房地产开发有限公司	PRC	<b>100</b>	–	Property development
Hangzhou Renyuan Property Development Co., Ltd. <sup>(3) (b)</sup> 杭州仁元房地产开发有限公司	PRC	<b>100</b>	–	Property development
Jinan Yanlord Property Services Co., Ltd. <sup>(b)</sup> 济南仁恒物业服务有限公司	PRC	<b>100</b>	100	Property management
Jinan Yanlord Real Estate Co., Ltd. <sup>(b)</sup> 济南仁恒置业有限公司	PRC	<b>100</b>	100	Investment holding
Jinan Rentai Real Estate Co., Ltd. <sup>(3) (b)</sup> 济南仁泰置业有限公司	PRC	<b>100</b>	–	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	<b>100</b>	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	<b>51</b>	51	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	<b>51</b>	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	<b>70</b>	70	Property development
Nanjing Renben Enterprise Management Co., Ltd. <sup>(3) (b)</sup> 南京仁本企业管理有限公司	PRC	<b>100</b>	–	Business consultancy

## 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
		2021 %	2020 %	
<u>Held by Yanlord Land Pte. Ltd. and its subsidiaries (Cont'd)</u>				
Nanjing Renxing Enterprise Management Co., Ltd. <sup>(b)</sup> 南京仁兴企业管理有限公司	PRC	<b>100</b>	51	Business management
Nanjing Renyuan Investment Co., Ltd. <sup>(b)</sup> 南京仁远投资有限公司	PRC	<b>100</b>	100	Management services and investment
Nanjing Xinghuiheng Enterprise Management Co., Ltd. <sup>(8) (b)</sup> 南京星绘恒企业管理有限公司	PRC	<b>60</b>	31	Business management
Nanjing Xingrenli Property Development Co., Ltd. <sup>(8) (b)</sup> 南京星仁力房地产开发有限公司	PRC	<b>60</b>	31	Property development
Nanjing Yanlord Commercial Management Co., Ltd. <sup>(b)</sup> 南京仁恒商业管理有限公司	PRC	<b>100</b>	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	<b>100</b>	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	<b>100</b>	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	<b>100</b>	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	<b>100</b>	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	<b>100</b>	100	Property development and management
Nanjing Yanlord Property Brokerage Co., Ltd. <sup>(3) (b)</sup> 南京仁恒房地产经纪有限公司	PRC	<b>100</b>	–	Property brokerage
Nanjing Yanlord Property Management Co., Ltd. <sup>(b)</sup> 南京仁恒物业管理有限公司	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
		2021	2020	
		%	%	
<u>Held by Yanlord Land Pte. Ltd. and its subsidiaries (Cont'd)</u>				
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 Yiyuan 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>(1) (2) (b)</sup> 南通禾创置业有限公司	PRC	<b>31</b>	–	Property development
Nantong Renjia Real Estate Development Co., Ltd. <sup>(3) (b)</sup> 南通仁嘉房地产开发有限公司	PRC	<b>100</b>	–	Property development
Nantong Renyi Real Estate Development Co., Ltd. <sup>(3) (b)</sup> 南通仁亿房地产开发有限公司	PRC	<b>100</b>	–	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>(3) (b)</sup> 沈阳仁盛企业管理有限公司	PRC	<b>100</b>	–	Business management
Yanlord (Shenyang) Enterprise Management Co., Ltd. <sup>(3) (b)</sup> 仁恒(沈阳)企业管理有限公司	PRC	<b>100</b>	–	Business management

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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
		2021 %	2020 %	
<u>Held by Yanlord Land Pte. Ltd. and its subsidiaries (Cont'd)</u>				
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	<b>100</b>	100	Property development
Shenzhen Dongguan Shengtai Investment Co., Ltd. <sup>(b)</sup> 深圳市东关盛泰投资有限公司	PRC	<b>95</b>	95	Property development
Shenzhen Hengming Commercial Co., Ltd. <sup>(b)</sup> 深圳市恒明商业有限公司	PRC	<b>100</b>	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	<b>100</b>	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	<b>95</b>	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	<b>100</b>	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	<b>100</b>	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	<b>100</b>	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	<b>100</b>	100	Property management
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

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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
		2021	2020	
		%	%	
<u>Held by Yanlord Land Pte. Ltd. and its subsidiaries (Cont'd)</u>				
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>(3) (b)</sup> 上海东衡实业发展有限公司	PRC	<b>100</b>	–	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 Pudong New District Private Yanlord Kindergarten <sup>(6) (b)</sup> 上海市浦东新区民办仁恒幼儿园	PRC	–	50	Kindergarten operation
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
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

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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
		2021 %	2020 %	
<u>Held by Yanlord Land Pte. Ltd. and its subsidiaries (Cont'd)</u>				
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 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 Gaoqiao Property Co., Ltd. <sup>(6) (b)</sup> 上海仁恒高乔房地产有限公司	PRC	–	50	Property development
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
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	<b>100</b>	100	Property management
Shanghai Yanlord Property Brokerage Co., Ltd. <sup>(3) (b)</sup> 上海仁恒房地产经纪有限公司	PRC	<b>100</b>	–	Property brokerage
Shanghai Yanlord Property Co., Ltd. <sup>(b)</sup> 上海仁恒房地产有限公司	PRC	<b>67</b>	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	<b>67</b>	67	Property management

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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
		2021	2020	
		%	%	
<u>Held by Yanlord Land Pte. Ltd. and its subsidiaries (Cont'd)</u>				
Shanghai Yanlord Real Estate Co., Ltd. <sup>(b)</sup> 上海仁恒置业发展有限公司	PRC	<b>57</b>	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	<b>100</b>	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	<b>100</b>	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	<b>100</b>	100	Property development
Shanghai Yanlord Youjia Enterprise Development Co., Ltd. <sup>(3) (b)</sup> 上海仁恒友家企业发展有限公司	PRC	<b>100</b>	–	Business management
Shanghai Youyou Dongdao Real Estate Co., Ltd. <sup>(1) (2) (b)</sup> 上海由由东岛置业有限公司	PRC	<b>50</b>	–	Property development
Yanlord (China) Investment Group Co., Ltd. <sup>(b)</sup> 仁恒(中国)投资集团有限公司	PRC	<b>100</b>	100	Management services and investment
Yanlord Commercial Management Co., Ltd. <sup>(3) (b)</sup> 仁恒商业管理有限公司	PRC	<b>100</b>	–	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	<b>100</b>	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	<b>100</b>	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	<b>100</b>	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	<b>100</b>	100	Tourism and travel services

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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
		2021 %	2020 %	
<u>Held by Yanlord Land Pte. Ltd. and its subsidiaries (Cont'd)</u>				
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	<b>85</b>	85	Property development
Suzhou Cangqiong Construction Engineering Co., Ltd. <sup>(1) (b)</sup> 苏州苍穹建设工程有限公司	PRC	<b>100</b>	–	Construction engineering
Suzhou Gusheng Fitness Services Co., Ltd. <sup>(b)</sup> 苏州固盛健身服务有限公司	PRC	<b>100</b>	100	Fitness services
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>(3) (b)</sup> 苏州仁昌房地产开发有限公司	PRC	<b>100</b>	–	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>(3) (b)</sup> 苏州仁宏房地产开发有限公司	PRC	<b>100</b>	–	Property development
Suzhou Rensheng Enterprise Management Co., Ltd. <sup>(3) (b)</sup> 苏州仁盛企业管理有限公司	PRC	<b>100</b>	–	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>(3) (b)</sup> 苏州仁信商业运营有限公司	PRC	<b>100</b>	–	Property development

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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
		2021	2020	
		%	%	
<u>Held by Yanlord Land Pte. Ltd. and its subsidiaries (Cont'd)</u>				
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>(4) (b)</sup> 苏州仁琢置业有限公司	PRC	–	100	Property development
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 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
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

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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
		2021 %	2020 %	
<u>Held by Yanlord Land Pte. Ltd. and its subsidiaries (Cont'd)</u>				
Tianjin Yanlord Fitness Services Co., Ltd. <sup>(7) (b)</sup> 天津仁恒健身服务有限公司	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>(3) (b)</sup> 天津仁恒和美房地产开发有限公司	PRC	<b>51</b>	–	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>(3) (b)</sup> 天津仁恒嘉业房地产开发有限公司	PRC	<b>100</b>	–	Property development
Tianjin Renmei Real Estate Co., Ltd. <sup>(3) (b)</sup> 天津仁美置业有限公司	PRC	<b>51</b>	–	Property development
Tianjin Yanlord Xinja Property Development Co., Ltd. <sup>(3) (b)</sup> 天津仁恒新嘉房地产开发有限公司	PRC	<b>100</b>	–	Property development
Yanlord Development 仁恒发展(天津)有限公司	(Tianjin) Co., Ltd. <sup>(b)</sup> PRC	<b>100</b>	100	Property development
Wuhan Rentai Real Estate Co., Ltd. <sup>(b)</sup> 武汉仁泰置业有限公司	PRC	<b>100</b>	100	Property development
Wuhan Renyao Real Estate Co., Ltd. <sup>(3) (b)</sup> 武汉仁耀置业有限公司	PRC	<b>100</b>	–	Property development

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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
		2021	2020	
		%	%	
<u>Held by Yanlord Land Pte. Ltd. and its subsidiaries (Cont'd)</u>				
Wuhan Tianxiang Real Estate Co., Ltd. <sup>(1) (2) (b)</sup> 武汉天象置业有限公司	PRC	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>(3) (b)</sup> 江阴市仁盛房地产开发有限公司	PRC	61	–	Property development
Wuxi Hengyuanfa Real Estate Co., Ltd. <sup>(3) (b)</sup> 无锡恒元发置业有限公司	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
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>(1) (2) (b)</sup> 扬州江洲邗韵房地产开发有限公司	PRC	50	–	Property development
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>(3) (b)</sup> 珠海仁远企业管理有限公司	PRC	100	–	Property development

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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
		2021 %	2020 %	
<u>Held by Yanlord Land Pte. Ltd. and its subsidiaries (Cont'd)</u>				
Zhuhai Renyuan Investment Co., Ltd. <sup>(b)</sup> 珠海仁远投资有限公司	PRC	<b>100</b>	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	<b>100</b>	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	<b>100</b>	100	City redevelopment
Zhuhai Renyuan Service Consultancy Co., Ltd. <sup>(3) (b)</sup> 珠海仁远服务咨询有限公司	PRC	<b>100</b>	–	Property development
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>(3) (b)</sup> 中山仁远房地产开发有限公司	PRC	<b>100</b>	–	Property development

# NOTES TO FINANCIAL STATEMENTS

December 31, 2021

## 10 INVESTMENTS IN SUBSIDIARIES (Cont'd)

- (1) Acquired during 2021.
- (2) 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.
- (3) Incorporated during 2021.
- (4) The Group lost control and reclassified the entities from subsidiaries to joint ventures during the year (Note 34).
- (5) Struck off during 2021.
- (6) Disposed during 2021.
- (7) Change of name to Tianjin Gusheng Fitness Services Co., Ltd. 天津固盛健身服务有限公司 after the end of reporting period.
- (8) 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% (2020 : 31%) held through its 100% (2020 : 51%) owned subsidiary. The subsidiary is the registered shareholder as to 60% (2020 : 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% (2020 : 60%) mentioned above. Accordingly, the Group's effective interest and voting power in the residential segment of Nanjing Xinghuiheng and Nanjing Xingrenli is 100% (2020 : 51%).

### 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	
	2021 RMB'000	2020 RMB'000
Amount paid on change of interest in subsidiaries	<b>1,144,011</b>	1,681,442
Non-controlling interests acquired	<b>(971,921)</b>	(2,201,258)
Difference recognised in statutory and other reserve	<b>172,090</b>	(519,816)

## NOTES TO FINANCIAL STATEMENTS

December 31, 2021

### 10 INVESTMENTS IN SUBSIDIARIES (Cont'd)

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	
		2021	2020	2021	2020	2021	2020
		%	%	RMB'000	RMB'000	RMB'000	RMB'000
Suzhou Renan Real Estate Co., Ltd. 苏州仁安置业有限公司	PRC	<b>70</b>	70	<b>76,817</b>	202,072	<b>529,116</b>	452,299
Wuhan Yanlord Zhuyeshan Real Estate Co., Ltd. 武汉仁恒竹叶山置业有限公司	PRC	<b>45</b>	45	<b>491,195</b>	7,801	<b>763,403</b>	272,208
Zhuhai Yanlord Heyou Land Co., Ltd. 珠海仁恒和由置地有限公司	PRC	<b>43</b>	43	<b>355,306</b>	379,924	<b>1,418,745</b>	1,342,074
Individually immaterial subsidiaries with non-controlling interests				<b>458,066</b>	470,676	<b>6,868,676</b>	7,346,838
				<b>1,381,384</b>	1,060,473	<b>9,579,940</b>	9,413,419

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.

	Suzhou Renan Real Estate Co., Ltd. 苏州仁安置业有限公司		Wuhan Yanlord Zhuyeshan Real Estate Co., Ltd. 武汉仁恒竹叶山置业有限公司		Zhuhai Yanlord Heyou Land Co., Ltd. 珠海仁恒和由置地有限公司	
	2021	2020	2021	2020	2021	2020
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Non-current assets	<b>127,955</b>	1,344	<b>890</b>	1,367	<b>1,205,717</b>	970,174
Current assets	<b>1,091,816</b>	1,251,817	<b>2,112,058</b>	3,965,100	<b>3,459,012</b>	3,673,088
Non-current liabilities	<b>(25,992)</b>	–	–	–	<b>(3,181)</b>	(7,433)
Current liabilities	<b>(437,899)</b>	(607,019)	<b>(811,118)</b>	(3,361,561)	<b>(1,362,141)</b>	(1,514,726)
Total equity	<b>755,880</b>	646,142	<b>1,301,830</b>	604,906	<b>3,299,407</b>	3,121,103
Equity attributable to:						
Owners of the Company	<b>226,764</b>	193,843	<b>538,427</b>	332,698	<b>1,880,662</b>	1,779,029
Non-controlling interests	<b>529,116</b>	452,299	<b>763,403</b>	272,208	<b>1,418,745</b>	1,342,074

## NOTES TO FINANCIAL STATEMENTS

December 31, 2021

### 10 INVESTMENTS IN SUBSIDIARIES (Cont'd)

	Suzhou Renan Real Estate Co., Ltd. 苏州仁安置业有限公司		Wuhan Yanlord Zhuyeshan Real Estate Co., Ltd. 武汉仁恒竹叶山置业有限公司		Zhuhai Yanlord Heyou Land Co., Ltd. 珠海仁恒和由置地有限公司	
	2021	2020	2021	2020	2021	2020
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Revenue	<b>93,699</b>	1,932,664	<b>2,926,561</b>	(741)	<b>2,892,713</b>	2,796,304
Profit for the year, representing total comprehensive income for the year	<b>109,738</b>	288,674	<b>696,924</b>	17,335	<b>826,292</b>	883,545
Total comprehensive income attributable to:						
Owners of the Company	<b>32,921</b>	86,602	<b>205,729</b>	9,534	<b>470,986</b>	503,621
Non-controlling interests	<b>76,817</b>	202,072	<b>491,195</b>	7,801	<b>355,306</b>	379,924
Net cash (outflow) inflow from:						
– Operating activities	<b>(103,568)</b>	(540,726)	<b>22,136</b>	1,039,838	<b>1,706,970</b>	983,750
– Investing activities	<b>100,404</b>	258,306	<b>(199,017)</b>	(487,439)	<b>123,538</b>	(197,643)
– Financing activities <sup>(1)</sup>	<b>18,120</b>	800	<b>(2,816)</b>	(557,489)	<b>(633,997)</b>	(938,261)
Net cash (outflow) inflow	<b>14,956</b>	(281,620)	<b>(179,697)</b>	(5,090)	<b>1,196,511</b>	(152,154)

<sup>(1)</sup> Including dividend paid to non-controlling interests

	-	-	-	-	-	(202,705)
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### 11 INVESTMENTS IN ASSOCIATES/NON-TRADE AMOUNTS DUE FROM/TO ASSOCIATES

	GROUP	
	2021 RMB'000	2020 RMB'000
Cost of investments in associates	<b>1,999,589</b>	2,127,313
Share of post-acquisition profit, net of dividend received	<b>61,559</b>	26,735
	<b>2,061,148</b>	2,154,048
Non-trade amounts due from associates (Note 6)		
– Non-current assets	<b>1,148,764</b>	994,547
– Current assets	<b>1,713,941</b>	1,650,210
Non-trade amounts due to associates (Current liabilities) (Note 6)	<b>792,795</b>	1,062,119

As at December 31, 2021, 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 RMB214 million (2020 : RMB4 million) which bears interest at 8.0% (2020 : 8.48%) per annum.

As at December 31, 2021, the Group's current non-trade amounts due from associates are interest-free, unsecured and repayable on demand except for the amounts of RMB1.083 billion (2020 : RMB1.430 billion) which bear interests at 8.48% to 9.0% (2020 : 8.48% to 9.0%) per annum and are repayable within 1 year from the end of the reporting period.

As at December 31, 2021, the Group's current non-trade amounts due to associates are interest-free, unsecured and repayable on demand except for the amount of RMB458 million (2020 : RMB375 million) which bears interest at 12.0% (2020 : 12.0%) per annum and is repayable within 1 year from the end of the reporting period.

## NOTES TO FINANCIAL STATEMENTS

December 31, 2021

### 11 INVESTMENTS IN ASSOCIATES/NON-TRADE AMOUNTS DUE FROM/TO ASSOCIATES (Cont'd)

Aggregate information of the Group's associates that are not individually material

	GROUP	
	2021 RMB'000	2020 RMB'000
Group's share of profit (loss) from continuing operations	<b>37,303</b>	(18,068)
Group's share of other comprehensive income	<b>6,870</b>	5,188
Group's share of total comprehensive income (expense)	<b>44,173</b>	(12,880)
Aggregate carrying amount of the Group's interests in these associates	<b>2,061,148</b>	2,154,048

Unrecognised share of loss of an associate

	GROUP	
	2021 RMB'000	2020 RMB'000
Group's unrecognised share of loss of an associate for the year	<b>81</b>	–
Cumulative unrecognised share of loss of an associate	<b>81</b>	–

### 12 INVESTMENTS IN JOINT VENTURES/NON-TRADE AMOUNTS DUE FROM/TO JOINT VENTURES

	GROUP	
	2021 RMB'000	2020 RMB'000
Cost of investments in joint ventures	<b>8,399,122</b>	7,856,271
Share of post-acquisition profit, net of dividend received	<b>1,711,410</b>	482,592
	<b>10,110,532</b>	8,338,863
Non-trade amounts due from joint ventures (Note 6)		
– Non-current assets	<b>1,799,988</b>	2,781,997
– Current assets	<b>10,030,971</b>	10,700,082
Non-trade amounts due to joint ventures (Note 6)		
– Non-current liabilities	<b>200,000</b>	200,000
– Current liabilities	<b>12,267,340</b>	7,645,737

As at December 31, 2021, 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 RMB40 million (2020 : RMB992 million) which bear interests at 6.0% (2020 : 8.0% to 9.5%) per annum.

As at December 31, 2021, the Group's current non-trade amounts due from joint ventures are interest-free, unsecured and repayable on demand except for the amounts of RMB2.488 billion (2020 : RMB4.120 billion) which bear interests at 4.35% to 9.0% (2020 : 4.35% to 9.0%) per annum and are repayable within 1 year from the end of the reporting period.

As at December 31, 2021, the Group's non-current non-trade amount due to a joint venture is interest-free, unsecured and is not expected to be repayable within the next 12 months.

As at December 31, 2021, the Group's current non-trade amounts due to joint ventures are interest-free, unsecured and repayable on demand except for the amount of RMB500 million (2020 : RMB3.680 billion) which bears interest at 6.0% (2020 : 5.83% to 7.0%) per annum and is repayable within 1 year from the end of the reporting period.

## NOTES TO FINANCIAL STATEMENTS

December 31, 2021

### 12 INVESTMENTS IN JOINT VENTURES/NON-TRADE AMOUNTS DUE FROM/TO JOINT VENTURES (Cont'd)

Aggregate information of the Group's joint ventures that are not individually material

	GROUP	
	2021 RMB'000	2020 RMB'000
Group's share of profit from continuing operations	<b>1,213,233</b>	37,609
Group's share of other comprehensive expense	(7)	–
Group's share of total comprehensive income	<b>1,213,226</b>	37,609
Aggregate carrying amount of the Group's interests in these joint ventures	<b>10,110,532</b>	8,338,863

Unrecognised share of loss of joint ventures

	GROUP	
	2021 RMB'000	2020 RMB'000
Group's unrecognised share of loss of joint ventures for the year	<b>40,354</b>	83,731
Cumulative unrecognised share of loss of joint ventures	<b>124,085</b>	102,366

### 13 NON-TRADE AMOUNTS DUE FROM/TO NON-CONTROLLING SHAREHOLDERS OF SUBSIDIARIES

As at December 31, 2021, 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 RMB200 million (2020 : 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, 2021, amounts of RMB826 million (2020 : RMB558 million) bear interests at 1.5% to 8.0% (2020 : 1.5% to 8.0%) per annum. These amounts are unsecured and repayable within 1 year (2020 : 1 year) from the end of the reporting period.
- b) As at December 31, 2020, amount of RMB7 million bore interest at 4.35% per annum and was secured by the non-controlling shareholder's shares in a subsidiary and undistributed retained earnings of a subsidiary yet to be distributed as dividends to the non-controlling shareholder of that subsidiary. The amount was repayable on demand. In 2021, the amount had been fully collected.
- c) As at December 31, 2021, amount of RMB803 million (2020 : RMB803 million) bears interest at 12.0% (2020 : the People's Bank of China's benchmark rate) 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 (2020 : 1 year) from the end of the reporting period.

As at December 31, 2021, 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, 2021, 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 RMB366 million (2020 : RMB147 million) which bear interests at 6.0% to 9.5% (2020 : 6.0% to 9.5%) per annum and are repayable within 1 year (2020 : 1 year) from the end of the reporting period.

## NOTES TO FINANCIAL STATEMENTS

December 31, 2021

### 14 OTHER RECEIVABLES AND DEPOSITS

	GROUP		COMPANY	
	2021 RMB'000	2020 RMB'000	2021 RMB'000	2020 RMB'000
Advances to suppliers	<b>270,286</b>	54,858	–	–
Deposits for projects	<b>2,314,346</b>	2,352,378	–	–
Staff loans	<b>3,432</b>	6,702	–	–
Prepayments	<b>75,973</b>	45,829	–	2
Value added tax (“VAT”) prepayment	<b>1,145,827</b>	1,325,159	–	–
Sales-related tax prepayment	<b>63,259</b>	47,753	–	–
Interest receivables	<b>211,696</b>	185,294	–	–
Payments for resettlement <sup>(1)</sup>	<b>600,319</b>	600,319	–	–
Transition funds <sup>(2)</sup>	<b>1,379,740</b>	1,122,123	–	–
Loan receivables <sup>(3)</sup>	<b>649,400</b>	665,810	–	–
Other receivables	<b>1,149,915</b>	843,634	–	–
	<b>7,864,193</b>	7,249,859	–	2
Analysed as:				
– Non-current	<b>2,409,445</b>	2,656,144	–	–
– Current	<b>5,454,748</b>	4,593,715	–	2
	<b>7,864,193</b>	7,249,859	–	2

<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 (2020 : RMB0.3 million) which bears interest at 10.6% (2020 : 5.0%) per annum, and current loan receivables which are interest-free, unsecured and repayable on demand except for the amounts of RMB288 million (2020 : RMB280 million) which bear interests at 3.8% to 6.0% (2020 : 9.5% to 10.6%) 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 ASSET

	GROUP	
	2021 RMB'000	2020 RMB'000
Club membership	<b>812</b>	812

Management assessed the marketable value of the club membership and determined that it was in excess of its carrying amount.

# NOTES TO FINANCIAL STATEMENTS

December 31, 2021

## 16 DEFERRED TAXATION

	GROUP	
	2021 RMB'000	2020 RMB'000
Deferred tax assets	577,930	640,577
Deferred tax liabilities	(4,620,894)	(4,544,458)
	<b>(4,042,964)</b>	<b>(3,903,881)</b>

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 RMB'000	Revaluation upon acquisition of subsidiaries RMB'000	Accrued income on completed project RMB'000	Accelerated tax depreciation and excess of tax deductible expenses RMB'000	Withholding tax RMB'000	Tax losses RMB'000	Excess of tax deductible development costs and other expenses RMB'000	Others RMB'000	Total RMB'000
GROUP									
At January 1, 2020	(2,706,829)	(527,288)	(205,732)	15,587	(712,692)	204,964	334,279	(18,340)	(3,616,051)
(Charge) Credit to profit or loss for the year (Note 28)	(294,272)	2,319	1,292	17,005	(186,098)	49,884	(48,561)	(79,322)	(537,753)
Acquisition of subsidiaries	-	-	-	-	-	33,424	-	-	33,424
Change of control from subsidiary to joint venture	-	-	-	-	-	(1,952)	-	-	(1,952)
Realised during the year	-	-	-	-	186,115	-	-	-	186,115
Exchange difference	-	23,550	9,299	213	-	(618)	(309)	201	32,336
At December 31, 2020	(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)

At the end of the reporting period, the Group has unutilised tax losses of RMB3.148 billion (2020 : RMB2.400 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 RMB314 million (2020 : RMB286 million) has been recognised in respect of RMB1.267 billion (2020 : RMB1.154 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 RMB1.881 billion (2020 : RMB1.246 billion) due to the unpredictability of future profit streams. The tax losses have no expiry date except for RMB2.795 billion (2020 : RMB2.052 billion) which will expire between 2022 and 2036 (2020 : 2021 and 2036), subject to the conditions imposed by law including the retention of majority shareholders as defined.

## NOTES TO FINANCIAL STATEMENTS

December 31, 2021

### 17 PLEDGED BANK DEPOSITS AND CASH AND CASH EQUIVALENTS

	GROUP		COMPANY	
	2021 RMB'000	2020 RMB'000	2021 RMB'000	2020 RMB'000
Pledged bank deposits:				
– Non-current	–	91,259	–	–
– Current	<b>268,301</b>	122,214	–	–
	<b>268,301</b>	213,473	–	–
Cash on hand	<b>627</b>	1,241	<b>4</b>	5
Cash at bank	<b>21,175,254</b>	16,624,931	<b>4,094</b>	1,109
Fixed deposits	<b>375,837</b>	573,730	–	–
Cash and cash equivalents	<b>21,551,718</b>	17,199,902	<b>4,098</b>	1,114

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, 2020, the non-current portion of pledged bank deposits was expected to be released beyond one year.

### 18 PUT LIABILITIES TO ACQUIRE NON-CONTROLLING INTERESTS

This represents the fair value of the put liabilities to acquire non-controlling interests as part of the share purchase agreements of subsidiaries.

As at December 31 2021, the obligation amount of RMB338 million is recorded herewith as “non-current liabilities” as the earliest date for the non-controlling shareholders to exercise the non-cancellable right to put back its shares to the Group is expected beyond one year.

As at December 31, 2020, the obligation amount of RMB1.491 billion included a non-current portion of RMB333 million that the earliest date for the non-controlling shareholders to exercise the non-cancellable right to put back its shares to the Group was expected beyond one year, and a current portion of RMB1.158 billion that the earliest date for the non-controlling shareholder to exercise the non-cancellable right to put back its shares to the Group was expected within one year.

### 19 SHARE CAPITAL

	GROUP AND COMPANY			
	2021 '000	2020 '000	2021 RMB'000	2020 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			
	2021	2020	2021	2020
	'000	'000	RMB'000	RMB'000
	Number of ordinary shares			
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 (2020 : 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 (2020 : 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	
	2021	2020
	RMB'000	RMB'000

The bank and other borrowings are repayable as below:

On demand or within one year	<b>9,189,332</b>	7,990,620
More than one year but not exceeding two years	<b>8,009,329</b>	9,908,175
More than two years but not exceeding five years	<b>12,424,374</b>	13,345,030
More than five years	<b>5,136,684</b>	3,483,499
	<b>34,759,719</b>	34,727,324
Less: Amount due for settlement within 12 months (shown under current liabilities)	<b>(9,189,332)</b>	(7,990,620)
Amount due for settlement after 12 months	<b>25,570,387</b>	26,736,704
Secured:		
– Non-current	<b>16,859,384</b>	17,373,748
– Current	<b>3,992,547</b>	5,602,118
	<b>20,851,931</b>	22,975,866
Unsecured:		
– Non-current	<b>8,711,003</b>	9,362,956
– Current	<b>5,196,785</b>	2,388,502
	<b>13,907,788</b>	11,751,458
	<b>34,759,719</b>	34,727,324

The following assets are pledged for the above secured bank and other borrowings and undrawn loan facilities:

	GROUP	
	2021	2020
	RMB'000	RMB'000
Properties for development	–	68,572
Completed properties for sale	–	259,371
Properties under development for sale	<b>10,634,670</b>	16,222,152
Investment properties	<b>17,709,773</b>	18,828,377
Freehold land and buildings	<b>36,101</b>	45,473
Leasehold land and buildings	<b>2,274,863</b>	2,423,183
Motor vehicles	<b>4,727</b>	4,976
Bank deposits	<b>16,516</b>	118,803

## NOTES TO FINANCIAL STATEMENTS

December 31, 2021

### 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, 2021 RMB'000	Financing cash flow RMB'000	Non-cash changes					Dividend declared RMB'000	Other changes RMB'000	December 31, 2021 RMB'000
			Acquisition of subsidiaries RMB'000	Change from subsidiaries to joint ventures RMB'000	Deferred finance charge RMB'000	Foreign exchange movement 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	–	–	
<b>Total</b>	<b>54,408,832</b>	<b>1,627,407</b>	<b>1,516,767</b>	<b>(1,547,870)</b>	<b>69,599</b>	<b>(606,269)</b>	<b>652,478</b>	<b>3,388,680</b>	<b>59,509,624</b>	

	January 1, 2020 RMB'000	Financing cash flow RMB'000	Non-cash changes					Dividend declared RMB'000	Other changes RMB'000	December 31, 2020 RMB'000
			Acquisition of subsidiaries RMB'000	Change from subsidiaries to joint ventures RMB'000	Deferred finance charge RMB'000	Foreign exchange movement RMB'000				
Bank and other borrowings	36,560,732	(2,925,628) <sup>(1)</sup>	2,823,130	(829,000)	99,058	(1,000,968)	–	–	34,727,324	
Senior notes	9,080,931	(527,671) <sup>(2)</sup>	–	–	–	(542,165)	–	(2,998)	8,008,097	
Lease liabilities	361,113	(80,109) <sup>(3)</sup>	–	(9,822)	–	12,020	–	(10,849)	272,353	
Non-trade amounts due to associates	665,085	177,926 <sup>(4)</sup>	–	–	–	–	–	219,108	1,062,119	
Non-trade amounts due to joint ventures	3,477,093	4,191,870 <sup>(5)</sup>	(1,027,794)	1,259,742	–	–	–	(55,174)	7,845,737	
Non-trade amounts due to directors	109,489	29,283 <sup>(6)</sup>	–	–	–	–	–	4,870	143,642	
Non-trade amounts due to non-controlling shareholders of subsidiaries	485,895	546,277 <sup>(7)</sup>	753,073	–	–	–	259,549	284,961	2,329,755	
Non-trade amounts due to other related parties	8,504	11,301 <sup>(8)</sup>	–	–	–	–	–	–	19,805	
Dividend payable	–	(660,715) <sup>(9)</sup>	–	–	–	–	660,715	–	–	
<b>Total</b>	<b>50,748,842</b>	<b>762,534</b>	<b>2,548,409</b>	<b>420,920</b>	<b>99,058</b>	<b>(1,531,113)</b>	<b>920,264</b>	<b>439,918</b>	<b>54,408,832</b>	

# NOTES TO FINANCIAL STATEMENTS

December 31, 2021

## 21 BANK AND OTHER BORROWINGS (Cont'd)

- (1) 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.
- (2) The cash flows make up the net amount of proceeds on issue of senior notes and redemption of senior notes in the consolidated statement of cash flows.
- (3) The cash flows represent repayment of lease liabilities in the consolidated statement of cash flows.
- (4) The cash flows represent advance from associates in the consolidated statement of cash flows.
- (5) The cash flows represent advance from joint ventures in the consolidated statement of cash flows.
- (6) The cash flows represent repayment to or advance from directors in the consolidated statement of cash flows.
- (7) The cash flows make up the net amount of dividends paid to non-controlling shareholders of subsidiaries, advance from non-controlling shareholders of subsidiaries and repayment to non-controlling shareholders of subsidiaries in the consolidated statement of cash flows.
- (8) The cash flows represent repayment to or advance from other related parties in the consolidated statement of cash flows.
- (9) The cash flows represent dividends paid in the consolidated statement of cash flows.

## 22 SENIOR NOTES

The senior notes comprise notes issued from 2016 to 2021.

### Notes 2021

The senior notes amounting to S\$150 million (equivalent to RMB752 million) were issued by a subsidiary of the Company on June 1, 2016 ("Notes 2021") for a term of five years with maturity date on June 1, 2021, bears interest at 3.68% per annum with interest payable on June 1 and December 1 of each year, commencing on December 1, 2016. The senior notes were denominated in SG dollars. During the year ended December 31, 2020, the cumulative interests accrued on Notes 2021 were calculated by applying effective interest rates of 3.68% per annum. In 2020, the subsidiary of the Company redeemed S\$105 million (equivalent to RMB528 million) of Notes 2021 and in 2021, the subsidiary of the Company fully redeemed the Notes 2021 in accordance with the terms.

### Notes 2022

The senior notes amounting to US\$450 million (equivalent to RMB2.869 billion) were issued by a wholly-owned subsidiary of the Company on January 23, 2017 ("Notes 2022") for a term of five years with maturity date on January 23, 2022, bears interest at 5.875% per annum with interest payable on January 23 and July 23 of each year, commencing on July 23, 2017. The senior notes are denominated in US dollars. During the year ended December 31, 2020, the cumulative interests accrued on Notes 2022 were calculated by applying effective interest rates of 6.2% per annum. The Company and five of its subsidiaries had provided a joint guarantee in respect of Notes 2022. The joint guarantee approximated RMB2.936 billion as at December 31, 2020. Additionally, shares in five of its subsidiaries were charged in favour of the global security agent and trustee of Notes 2022. In 2021, the subsidiary of the Company fully redeemed the Notes 2022 in accordance with the terms.

### Notes 2023

The senior notes amounting to US\$350 million (equivalent to RMB2.231 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, 2021, the cumulative interests accrued on Notes 2023 were calculated by applying effective interest rates of 7.2% (2020 : 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 RMB2.231 billion as at December 31, 2021 (2020 : RMB2.284 billion). Additionally, shares in five of its subsidiaries are charged in favour of the global security agent and trustee of Notes 2023.

## NOTES TO FINANCIAL STATEMENTS

December 31, 2021

### 22 SENIOR NOTES (Cont'd)

#### Notes 2024

The senior notes amounting to US\$400 million (equivalent to RMB2.550 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, 2021, the cumulative interests accrued on Notes 2024 were calculated by applying effective interest rates of 7.2% (2020 : 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 RMB2.550 billion as at December 31, 2021 (2020 : RMB2.610 billion). Additionally, shares in five of its subsidiaries are charged in favour of the global security agent and trustee of Notes 2024.

#### Notes 2026

The senior notes amounting to US\$500 million (equivalent to RMB3.188 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, 2021, the cumulative interests accrued on Notes 2026 were calculated by applying effective interest rates of 5.4% per annum. The Company and five of its subsidiaries have provided a joint guarantee in respect of Notes 2026. The joint guarantee approximates RMB3.188 billion as at December 31, 2021. Additionally, shares in five of its subsidiaries are charged in favour of the global security agent and trustee of Notes 2026.

	GROUP	
	2021 RMB'000	2020 RMB'000
Nominal value of senior notes issued	<b>11,590,740</b>	8,581,930
Transaction costs <sup>(1)</sup>	<b>(126,878)</b>	(95,247)
At date of issue <sup>(2)</sup>	<b>11,463,862</b>	8,486,683
Cumulative interest accrued	<b>1,932,991</b>	1,396,236
Cumulative interest paid	<b>(1,753,928)</b>	(1,180,479)
Redemption	<b>(3,621,115)</b>	(527,671)
	<b>8,021,810</b>	8,174,769
Interest payable within one year included in other payables (Note 24)	<b>(106,792)</b>	(166,672)
Total	<b>7,915,018</b>	8,008,097
Presented as:		
– Non-current	<b>7,915,018</b>	7,783,718
– Current	<b>–</b>	224,379
	<b>7,915,018</b>	8,008,097

<sup>(1)</sup> Transaction costs included non-audit fees of RMB1 million (2020 : RMB Nil) 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, 2021

### 23 TRADE PAYABLES

	GROUP	
	2021 RMB'000	2020 RMB'000
Non-controlling shareholder of a subsidiary	<b>428,083</b>	873,999
Outside parties	<b>10,223,817</b>	9,590,095
	<b>10,651,900</b>	10,464,094

The average credit period for trade payables is 146 days (2020 : 147 days). As at the end of the reporting period, the Group has trade payables of RMB3.258 billion (2020 : RMB3.215 billion) under supplier finance arrangement.

### 24 OTHER PAYABLES

	GROUP		COMPANY	
	2021 RMB'000	2020 RMB'000	2021 RMB'000	2020 RMB'000
Advances received from customers	<b>700,355</b>	647,573	-	-
Deposits for projects	<b>968,988</b>	1,401,009	-	-
Consideration payables for acquisition	<b>194,202</b>	508,632	-	-
Accrued expenses	<b>328,271</b>	311,598	<b>4,672</b>	4,512
VAT payable	<b>505,168</b>	103,716	-	-
Sales-related tax payable	<b>87,996</b>	52,124	-	-
Interest payable on senior notes	<b>106,792</b>	166,672	-	-
Other interest payable	<b>59,695</b>	41,710	-	-
Other payables	<b>1,390,176</b>	1,152,406	-	-
	<b>4,341,643</b>	4,385,440	<b>4,672</b>	4,512
Analysed as:				
- Non-current	<b>285,350</b>	308,764	-	-
- Current	<b>4,056,293</b>	4,076,676	<b>4,672</b>	4,512
	<b>4,341,643</b>	4,385,440	<b>4,672</b>	4,512

### 25 REVENUE AND CONTRACT LIABILITIES

	GROUP	
	2021 RMB'000	2020 RMB'000
<b>Types of goods or services</b>		
Income from property development – sales of properties	<b>31,034,557</b>	20,960,010
Income from hotel operations	<b>409,614</b>	332,894
Income from property management	<b>939,249</b>	813,407
Income from others	<b>1,553,441</b>	1,006,129
	<b>33,936,861</b>	23,112,440
Income from property investment – lease of properties	<b>896,273</b>	805,635
Total	<b>34,833,134</b>	23,918,075
<b>Timing of revenue recognition</b>		
A point in time	<b>30,671,216</b>	21,545,118
Over time	<b>3,265,645</b>	1,567,322
Total	<b>33,936,861</b>	23,112,440

## NOTES TO FINANCIAL STATEMENTS

December 31, 2021

### 25 REVENUE AND CONTRACT LIABILITIES (Cont'd)

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	
	2021 RMB'000	2020 RMB'000
Income from property development – sales of properties:		
Revenue expected to be recognised within one year	<b>12,375,218</b>	17,432,313
Revenue expected to be recognised after one year	<b>12,927,066</b>	10,666,715
	<b>25,302,284</b>	28,099,028

As at December 31, 2021, the Group's contract liabilities arising from sale of properties is as follows:

	GROUP	
	2021 RMB'000	2020 RMB'000
Contract liabilities	<b>23,399,875</b>	23,940,774

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	
	2021 RMB'000	2020 RMB'000
Revenue recognised from sales of properties	<b>13,633,562</b>	9,457,919

### 26 OTHER OPERATING INCOME AND OTHER GAINS

	GROUP	
	2021 RMB'000	2020 RMB'000
Dividend income from financial assets at FVTOCI	<b>12,877</b>	12,612
Fair value gain on financial asset at FVTPL	<b>153</b>	210
Fair value gain from put liability to acquire non-controlling interests	<b>60,199</b>	1,250
Interest income	<b>284,965</b>	560,619
Net gain on disposal of property, plant and equipment	<b>3,700</b>	1,119
Net gain on disposal of investment properties	<b>362</b>	1,436
Provision for development charge written-back	–	75,416
Gain on remeasurement of retained interests in joint ventures (Note 33)	<b>111,715</b>	126,503
Gain on change of control from subsidiaries to joint ventures	<b>1,038</b>	–
Gain on disposal of subsidiaries	<b>71,576</b>	20,122
Net foreign exchange gain	–	2,751
Government subsidies	<b>28,888</b>	12,040
Compensation income <sup>(1)</sup>	–	200,000
Others	<b>125,386</b>	45,996
Total	<b>700,859</b>	1,060,074

<sup>(1)</sup> The compensation income resulted from return of partial interest in a property development investment to original shareholder.

## NOTES TO FINANCIAL STATEMENTS

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### 27 FINANCE COST

	GROUP	
	2021 RMB'000	2020 RMB'000
Interest on bank and other borrowings	<b>1,676,975</b>	2,274,920
Interest on senior notes	<b>575,322</b>	567,656
Interest on lease liabilities	<b>9,573</b>	11,637
Interest to joint ventures	<b>85,162</b>	101,431
Interest to non-controlling shareholders of subsidiaries	<b>244,328</b>	45,287
Total borrowing costs	<b>2,591,360</b>	3,000,931
Less: Interest capitalised in		
– properties for development	<b>(196,176)</b>	(190,559)
– properties under development for sale	<b>(1,364,054)</b>	(1,269,477)
Net	<b>1,031,130</b>	1,540,895

### 28 INCOME TAX

	GROUP	
	2021 RMB'000	2020 RMB'000
Current	<b>1,646,572</b>	1,232,731
Deferred income tax (Note 16)	<b>58,986</b>	351,655
Deferred withholding tax (Note 16)	<b>96,222</b>	186,098
Land appreciation tax ("LAT")	<b>1,919,047</b>	2,060,316
(Over) Under provision in prior years	<b>(1,413)</b>	1,520
Total	<b>3,719,414</b>	3,832,320

In 2021 and 2020, 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	
	2021 RMB'000	2020 RMB'000
Profit before income tax	<b>7,756,828</b>	7,484,676
Income tax expense at PRC applicable tax rate of 25%*	<b>1,939,207</b>	1,871,169
Non-deductible items	<b>468,818</b>	296,284
Non-taxable items	<b>(272,220)</b>	(83,978)
Effect of unutilised tax losses not recognised as deferred tax assets	<b>103,121</b>	91,014
Effect of different tax rates for certain subsidiaries	<b>(34,842)</b>	(22,941)
LAT	<b>1,919,047</b>	2,060,316
Effect of tax deduction on LAT	<b>(474,838)</b>	(515,079)
Withholding tax incurred	<b>96,222</b>	186,098
(Over) Under provision in prior years	<b>(1,413)</b>	1,520
Others	<b>(23,688)</b>	(52,083)
Total income tax expense	<b>3,719,414</b>	3,832,320

\* These are the applicable tax rates for most of the Group's taxable profits.

## NOTES TO FINANCIAL STATEMENTS

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### 28 INCOME TAX (Cont'd)

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 RMB96 million (2020 : RMB171 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.

#### 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 (2020 : RMB597 million) (before effects of deductibility for income tax assessment purpose and adjustment for non-controlling interests) as at December 31, 2021. 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, 2021

### 29 PROFIT FOR THE YEAR

Profit for the year has been arrived at after charging (crediting):

	GROUP	
	2021 RMB'000	2020 RMB'000
Allowance for doubtful debts and bad debts written-off	<b>79,988</b>	10
Depreciation of property, plant and equipment	<b>247,313</b>	236,611
Depreciation of right-of-use assets	<b>74,885</b>	79,419
<u>Employee benefits expense (including directors' remuneration):</u>		
Retirement benefit scheme contributions	<b>122,816</b>	43,477
Salaries and other short-term benefits	<b>1,603,327</b>	1,408,654
Total employee benefits expense	<b>1,726,143</b>	1,452,131
Directors' fees	<b>2,398</b>	2,470
Directors' remuneration recorded in:		
– the Company	<b>41,161</b>	40,228
– the subsidiaries	<b>10,404</b>	8,696
	<b>51,565</b>	48,924
Net foreign exchange loss (gain)	<b>64,590</b>	(2,751)
Cost of completed properties for sale recognised as expenses	<b>23,796,598</b>	13,457,705
<u>Audit fees:</u>		
– paid to auditors of the Company	<b>8,023</b>	7,522
– paid to other auditors of the subsidiaries	<b>3,656</b>	3,527
Total audit fees	<b>11,679</b>	11,049
<u>Non-audit fees:</u>		
– paid to auditors of the Company <sup>(1)</sup>	<b>315</b>	912
– paid to other auditors of the subsidiaries	<b>2,323</b>	1,522
Total non-audit fees	<b>2,638</b>	2,434
<u>Aggregate amount of fees paid to auditors</u>	<b>14,317</b>	13,483

<sup>(1)</sup> In 2021, total non-audit fees paid to auditors of the Company in connection with the issuance of senior notes by the Group have been capitalised in the carrying amount of the senior notes (Note 22).

## NOTES TO FINANCIAL STATEMENTS

December 31, 2021

### 30 EARNINGS PER SHARE

The calculation of the basic and diluted earnings per share attributable to the ordinary owners of the Company is based on the following data:

	GROUP	
	2021 RMB'000	2020 RMB'000
<u>Earnings</u>		
Earnings for the purposes of basic and diluted earnings per share (profit attributable to owners of the Company)	<b>2,656,030</b>	2,591,883
<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</b>	1,931,535
<u>Earnings per share (Renminbi cents):</u>		
Basic and diluted	<b>137.51</b>	134.19

There is no potential dilutive ordinary share in 2021 and 2020.

### 31 DIVIDENDS

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 for the financial year ended December 31, 2020.

In 2020, approximately RMB661 million of dividends was declared and paid in respect of a final tax-exempt dividend of 6.80 Singapore cents (equivalent to 34.21 Renminbi cents) per ordinary share for the financial year ended December 31, 2019.

In respect of the current year, the directors proposed a final tax-exempt dividend of 6.80 Singapore cents (equivalent to 32.75 Renminbi cents) per ordinary share amounting to approximately RMB633 million. The dividend is subject to approval by shareholders at the Annual General Meeting and has not been included as a liability in these financial statements.

## NOTES TO FINANCIAL STATEMENTS

December 31, 2021

### 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	
	2021 RMB'000	2020 RMB'000	2021 RMB'000	2020 RMB'000
Property development	<b>31,034,557</b>	20,960,010	<b>7,914,676</b>	6,584,416
Property investment and hotel operations	<b>1,305,887</b>	1,138,529	<b>400,023</b>	1,474,511
Property management	<b>939,249</b>	813,407	<b>94,066</b>	77,770
Others	<b>1,553,441</b>	1,006,129	<b>(651,937)</b>	(652,021)
<b>Total</b>	<b>34,833,134</b>	23,918,075	<b>7,756,828</b>	7,484,676

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.

## NOTES TO FINANCIAL STATEMENTS

December 31, 2021

### 32 SEGMENT INFORMATION (Cont'd)

#### Segment assets

	GROUP	
	2021 RMB'000	2020 RMB'000
Property development	<b>98,492,116</b>	91,148,304
Property investment and hotel operations	<b>34,629,158</b>	34,016,043
Property management	<b>753,085</b>	773,628
Others	<b>20,574,077</b>	20,621,850
Total assets	<b>154,448,436</b>	146,559,825

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.

#### Other segment information

	GROUP			
	Depreciation		Additions to non-current assets	
	2021 RMB'000	2020 RMB'000	2021 RMB'000	2020 RMB'000
Property development	<b>93,877</b>	101,478	<b>5,339,951</b>	2,156,996
Property investment and hotel operations	<b>149,317</b>	139,774	<b>710,481</b>	878,247
Property management	<b>4,875</b>	4,335	<b>7,226</b>	5,597
Others	<b>76,345</b>	72,636	<b>93,933</b>	50,202
Total	<b>324,414</b>	318,223	<b>6,151,591</b>	3,091,042

#### 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	
	2021 RMB'000	2020 RMB'000	2021 RMB'000	2020 RMB'000
PRC	<b>32,786,984</b>	22,815,215	<b>45,193,803</b>	40,353,054
Singapore	<b>1,623,654</b>	703,993	<b>10,651,913</b>	10,973,250
Others	<b>422,496</b>	398,867	<b>555,388</b>	650,297
Total	<b>34,833,134</b>	23,918,075	<b>56,401,104</b>	51,976,601

# NOTES TO FINANCIAL STATEMENTS

December 31, 2021

## 33 ACQUISITION OF SUBSIDIARIES

### Acquisition of subsidiaries in 2020

- (a) On April 30, 2020, the Group entered into agreement with a shareholder of a joint venture, Tianjin Yanlord Hehai Real Estate Co., Ltd. (“Tianjin Hehai”) which agreed to act-in-concert with the Group in relation to the relevant operating and financial activities of Tianjin Hehai. As a result, the Group obtained control over Tianjin Hehai, an entity previously held as a 60% joint venture and Tianjin Hehai became a 60% subsidiary of the Group. The details on this change of control from a joint venture to a subsidiary is presented in Note 35.
- (b) On July 31, 2020, the Group acquired 51% equity interest in Yancheng Property Development Co., Ltd. (“Yancheng Property”) for a cash consideration of RMB981 million.
- (c) On August 6, 2020, the Group acquired 100% equity interest in Suzhou Rendao Enterprise Management Co., Ltd. (“Suzhou Rendao”) for a cash consideration of RMB60 million in return an additional of 20% equity interest in a joint venture, Suzhou Rentong Property Development Co., Ltd. (“Suzhou Rentong”). Following the transaction, the Group’s interest in Suzhou Rentong has increased from 40% to 60% and became a 60% subsidiary of the Group. The details on this change of control from a joint venture to a subsidiary is presented in Note 35.
- (d) As a result of change of articles of association of Nanjing Yiyan Real Estate Co., Ltd. (“Nanjing Yiyan”) on November 5, 2020, the Group obtained control over Nanjing Yiyan, an entity previously held as a 50% joint venture. Following the change, Nanjing Yiyan became a 50% 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 November 30, 2020, the Group entered into agreement with shareholders of a joint venture, Hangzhou Kesheng Property Development Co., Ltd. (“Hangzhou Kesheng”) which agreed to act-in-concert with the Group in relation to the relevant operating and financial activities of Hangzhou Kesheng. As a result, the Group obtained control over Hangzhou Kesheng, an entity previously held as a 30% joint venture and Hangzhou Kesheng became a 30% subsidiary of the Group. The details on this change of control from a joint venture to a subsidiary is presented in Note 35.

### Acquisition of subsidiaries in 2021

- (a) On March 4, 2021, the Group acquired 50% equity interest in Shanghai Youyou Dongdao Real Estate Co., Ltd. (“Shanghai Dongdao”) for a cash consideration of RMB25 million.
- (b) 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% subsidiary of the Group. The details on this change of control from a joint venture to a subsidiary is presented in Note 35.
- (c) 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% joint venture through its 60% subsidiary, Yanlord Land (Nantong) Co., Ltd.. Following the change, Nantong Hechuang became a 30.6% subsidiary of the Group. Consequently, the Group reclassified Nantong Hechuang as a subsidiary from a joint venture. 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, 2021

### 33 ACQUISITION OF SUBSIDIARIES (Cont'd)

The Group's intention was to acquire the land and vacant properties held by Shanghai Dongdao and Wuhan Tianxiang 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 Shanghai Dongdao and Wuhan Tianxiang were accounted for as acquisition of assets and were out of scope of SFRS(I) 3 *Business Combinations*. The acquisition of Nantong Hechuang during the reporting period was accounted for as acquisition of business under SFRS(I) 3.

Had the business combination during the reporting period been effected as at January 1, 2021, the Group's revenue would have been RMB34.832 billion (2020 : RMB23.917 billion), and the profit for the year would have been RMB4.045 billion (2020 : RMB3.652 billion).

The following summarises the recognised amounts of assets acquired and liabilities assumed at the acquisition dates:

	GROUP	
	2021 RMB'000	2020 RMB'000
Non-current assets	1,509	1,914,059
Current assets	9,385,774	18,642,364
Non-current liabilities	(957,524)	(790,087)
Current liabilities	(8,033,234)	(16,639,056)
Net assets at date of acquisition	396,525	3,127,280
Non-controlling interests	(259,810)	(1,959,969)
Net assets acquired	136,715	1,167,311
Gain on remeasurement of retained interests in joint ventures	(111,715)	(126,503)
Total consideration	25,000	1,040,808
Consideration payable	–	(308,890)
Cash acquired	(690,405)	(1,674,229)
Net cash inflow arising from acquisition of subsidiaries	(665,405)	(942,311)

# NOTES TO FINANCIAL STATEMENTS

December 31, 2021

## 34 CHANGE OF CONTROL FROM SUBSIDIARIES TO JOINT VENTURES

### Change of control from subsidiaries to joint ventures in 2020

- (a) The Group lost control over Shanghai Renjie Hebin Garden Property Co., Ltd. (“Shanghai Renjie”) with effect from March 16, 2020, as a result of disposal of 1% interest in Shanghai Renjie. Accordingly, Shanghai Renjie ceased to be a subsidiary of the Group and is classified as a 50% joint venture. Consequently, Shanghai Renjie was deconsolidated and is equity accounted for in the consolidated financial statements.
- (b) The Group lost control over Shanghai Renchong Real Estate Co., Ltd. (“Shanghai Renchong”) and its wholly-owned subsidiary, Shanghai Renjia Property Development Co., Ltd. (“Shanghai Renjia”) with effect from June 28, 2020, as a result of capital injection to Shanghai Renchong by joint venture partners. Accordingly, Shanghai Renchong and Shanghai Renjia ceased to be subsidiaries of the Group and both are classified as 27.5% joint ventures. Consequently, Shanghai Renchong and Shanghai Renjia were deconsolidated and are equity accounted for in the consolidated financial statements.
- (c) The Group lost control over Hangzhou Renrui Property Development Co., Ltd. (“Hangzhou Renrui”) with effect from June 30, 2020, as a result of dilution of interest in Hangzhou Renrui by joint venture partner. Accordingly, Hangzhou Renrui ceased to be a subsidiary of the Group and is classified as a 45.5% joint venture. Consequently, Hangzhou Renrui was deconsolidated and is equity accounted for in the consolidated financial statements.
- (d) The Group lost control over Xingheng (Shenzhen) Investment Management Co., Ltd. (“Shenzhen Xingheng”) and its wholly-owned subsidiary, Haikou Yanlord Property Co., Ltd. (“Haikou Property”) with effect from July 5, 2020, as a result of capital injection to Shenzhen Xingheng by joint venture partner. Accordingly, Shenzhen Xingheng and Haikou Property ceased to be subsidiaries of the Group and both are classified as 70% joint ventures. Consequently, Shenzhen Xingheng and Haikou Property were deconsolidated and are equity accounted for in the consolidated financial statements.

### Change of control from subsidiaries to joint ventures in 2021

- (a) The Group lost control over Suzhou Renzhuo Real Estate Co., Ltd. (“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% joint venture. Consequently, Suzhou Renzhuo was deconsolidated and is equity accounted for in the consolidated financial statements.
- (b) The Group lost control over Suzhou Renjia Real Estate Co., Ltd. (“Suzhou Renjia”) and its subsidiary, Wuxi Renxin Real Estate Co., Ltd. (“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% and 15.3% joint ventures respectively. Consequently, Suzhou Renjia and Wuxi Renxin were deconsolidated and are equity accounted for in the consolidated financial statements.

## NOTES TO FINANCIAL STATEMENTS

December 31, 2021

### 34 CHANGE OF CONTROL FROM SUBSIDIARIES TO JOINT VENTURES (Cont'd)

The following summarises the details of the change of control:

	GROUP	
	2021 RMB'000	2020 RMB'000
Non-current assets	3,341,079	1,467,644
Current assets	29,959	7,305,774
Non-current liabilities	–	(8,193)
Current liabilities	(3,263,699)	(8,678,366)
Net assets at date of change of control	107,339	86,859
Non-controlling interests	(97,377)	(61,881)
Net assets derecognised	9,962	24,978
<b>Gain on change of control</b>		
Consideration received	9,900	–
Net asset derecognised	(9,962)	(24,978)
Fair value of retained interest	1,100	24,978
	1,038	–
<b>Net cash outflow arising from change of control</b>		
Consideration received	9,900	–
Cash and cash equivalents derecognised	(29,071)	(107,938)
	(19,171)	(107,938)

### 35 CHANGE OF CONTROL FROM JOINT VENTURES TO SUBSIDIARIES

#### *Change of control from joint ventures to subsidiaries in 2020*

- (a) The Group entered into agreements with shareholders of two joint ventures, Tianjin Hehai and Hangzhou Kesheng that the shareholders agreed to act-in-concert with the Group in relation to the relevant operating and financial activities of Tianjin Hehai and Hangzhou Kesheng. Accordingly, the Group obtained control over these two entities and reclassified them from joint ventures to subsidiaries.
- (b) The Group acquired 100% equity interest in Suzhou Rendao for a cash consideration of RMB60 million in return an additional of 20% equity interest in a joint venture, Suzhou Rentong. Following the transaction, the Group's interest in Suzhou Rentong has increased from 40% to 60%. Consequently, the Group reclassified Suzhou Rentong from a joint venture to a subsidiary.
- (c) Following the change in articles of association of Nanjing Yiyan, all matters, other than protective rights such as changing of articles of association, capital injection and reduction of Nanjing Yiyan and merger and separation, only require a simple majority vote from the shareholders. Consequently, the Group reclassified Nanjing Yiyan from a joint venture to a subsidiary.

## NOTES TO FINANCIAL STATEMENTS

December 31, 2021

### 35 CHANGE OF CONTROL FROM JOINT VENTURES TO SUBSIDIARIES (Cont'd)

#### *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.

The following summarises the details of the change of control:

	GROUP	
	2021 RMB'000	2020 RMB'000
Non-current assets	1,464	138,646
Current assets	8,486,438	18,494,445
Non-current liabilities	(957,524)	(790,087)
Current liabilities	(7,183,853)	(16,639,055)
Net assets at date of change of control	346,525	1,203,949
Non-controlling interests	(234,810)	(1,017,545)
Net assets recognised	111,715	186,404
<b>Gain on change of control</b>		
Consideration paid for additional interest	-	59,901
Fair value of acquired interest	(111,715)	(186,404)
	(111,715)	(126,503)

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.

## NOTES TO FINANCIAL STATEMENTS

December 31, 2021

### 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 16 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	
	2021 RMB'000	2020 RMB'000
Year 1	<b>812,472</b>	670,802
Year 2	<b>571,659</b>	566,698
Year 3	<b>366,195</b>	393,074
Year 4	<b>224,539</b>	225,972
Year 5	<b>159,870</b>	155,029
Year 6 and onwards	<b>886,018</b>	1,028,428
	<b>3,020,753</b>	3,040,003

### 37 CAPITAL EXPENDITURE COMMITMENTS

Amounts committed for future capital expenditure but not provided for in the financial statements:

	GROUP	
	2021 RMB'000	2020 RMB'000
Investment properties	<b>362,499</b>	686,965
Acquisition of land use rights	<b>746,441</b>	772,611
Investments in joint ventures	<b>19,366</b>	47,416
Others	<b>43,008</b>	20,993
	<b>1,171,314</b>	1,527,985

### 38 CONTINGENCIES AND GUARANTEES

As at December 31, 2021, the Group has provided guarantees of approximately RMB14.629 billion (2020 : RMB13.159 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 (2020 : RMB597 million) (before effects of deductibility for income tax assessment purpose and adjustment for non-controlling interests) as at December 31, 2021.

## NOTES TO FINANCIAL STATEMENTS

December 31, 2021

### 38 CONTINGENCIES AND GUARANTEES (Cont'd)

As at December 31, 2020, 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 RMB250 million for a remaining term of less than two years up to June 13, 2022. The subsidiary's contingent liability as at December 31, 2020 for this joint guarantee was limited to an amount of RMB250 million. During the year, the loan and interest payable were fully repaid and the loan facility was cancelled accordingly.

As at December 31, 2020, the Company and two subsidiaries of the Company had provided a joint guarantee to a bank in respect of a loan facility granted to a joint venture amounting to RMB595 million for a remaining term of less than three years up to July 19, 2023. The subsidiary's contingent liability as at December 31, 2020 for this joint guarantee was limited to an amount of RMB589 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 has provided a joint guarantee to a bank in respect of a loan facility granted to a joint venture amounting to RMB282 million (2020 : RMB287 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 is limited to an amount of RMB358 million (2020 : RMB348 million).

As at December 31, 2021, a subsidiary of the Company has provided a joint guarantee to banks in respect of a loan facility granted to a joint venture amounting to RMB108 million (2020 : RMB163 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 is limited to an amount of RMB80 million (2020 : RMB107 million).

As at December 31, 2021, a subsidiary of the Company has provided a joint guarantee to banks in respect of a loan facility granted to a joint venture amounting to RMB161 million (2020 : RMB167 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 is limited to an amount of RMB140 million (2020 : RMB39 million).

As at December 31, 2021, 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 RMB786 million (2020 : RMB834 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 is limited to an amount of RMB766 million (2020 : RMB814 million).

As at December 31, 2021, 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 RMB488 million (2020 : RMB489 million) for a remaining term of less than two years up to June 15, 2023. The subsidiary's contingent liability as at December 31, 2021 for this joint guarantee is limited to an amount of RMB291 million (2020 : RMB109 million).

As at December 31, 2021, 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 RMB201 million (2020 : RMB307 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 is limited to an amount of RMB40 million (2020 : RMB146 million).

As at December 31, 2021, 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 RMB218 million (2020 : RMB90 million) for a remaining term of less than fourteen years up to April 20, 2035. The subsidiaries' contingent liability as at December 31, 2021 for this joint guarantee is limited to an amount of RMB28 million (2020 : RMB10 million).

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 TRANSACTIONS

Pursuant to Rule 907 of the Listing Manual of the Singapore Exchange Securities Trading Limited (“Listing Manual”), the aggregate value of all interested person transactions entered into during the financial year under review are 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 Zhong Sheng Jian, Zhong Ming and Zhong Iek Ka	RMB7,077,488	NA
Pretty Honour Investment Limited	An associate of Zhong Sheng Jian, Zhong Ming and Zhong Iek Ka	RMB26,936,280	NA
Zhong Sheng Jian	A director, chief executive officer and a controlling shareholder of the Company, and an associate of Zhong Ming and Zhong Iek Ka	RMB4,041,360	NA
<b>Total</b>		<b>RMB38,055,128</b>	<b>NA</b>

**Notes:**

- <sup>1</sup> In this table, “controlling shareholder” and “associate” have the respective meanings ascribed to them in the Listing Manual.
- <sup>2</sup> Zhong Sheng Jian is the Chairman and Chief Executive Officer, a director and a controlling shareholder of the Company.
- <sup>3</sup> Zhong Ming and Zhong Iek Ka, both directors of the Company, are immediate family (pursuant to the meaning ascribed to it in the Listing Manual) of Zhong Sheng Jian.
- <sup>4</sup> NA: Not applicable

The Company has not obtained a general mandate from its shareholders for recurrent interested person transactions of a revenue or trading nature or those necessary for its day-to-day operations.

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 10, 2022

Class of Shares	:	Ordinary shares
Number of Shares Issued (including Treasury Shares)	:	1,948,736,476
Issued and Paid-up Share Capital	:	S\$1,482,552,080
Number of Treasury Shares	:	17,201,100 (representing approximately 0.89% of the total number of ordinary shares, excluding treasury shares)
Number of Subsidiary Holdings <sup>1</sup>	:	Nil
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.

### 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	497	7.80	445,269	0.02
1,001 – 10,000	3,944	61.93	22,382,333	1.16
10,001 – 1,000,000	1,889	29.66	99,844,275	5.17
1,000,001 and above	27	0.42	1,808,863,377	93.65
<b>TOTAL</b>	<b>6,369</b>	<b>100.00</b>	<b>1,931,535,376</b>	<b>100.00</b>

### 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	116,376,429	6.03
3	CITIBANK NOMINEES SINGAPORE PTE LTD	86,994,300	4.50
4	UOB KAY HIAN PRIVATE LIMITED	75,637,500	3.92
5	RAFFLES NOMINEES (PTE.) LIMITED	72,433,894	3.75
6	DBSN SERVICES PTE. LTD.	40,091,621	2.08
7	MORGAN STANLEY ASIA (SINGAPORE) SECURITIES PTE LTD	31,030,852	1.61
8	HSBC (SINGAPORE) NOMINEES PTE LTD	23,660,096	1.22
9	BNP PARIBAS NOMINEES SINGAPORE PTE. LTD.	22,807,900	1.18
10	DB NOMINEES (SINGAPORE) PTE LTD	13,751,880	0.71
11	PHILLIP SECURITIES PTE LTD	5,875,000	0.30
12	OCBC SECURITIES PRIVATE LIMITED	5,191,100	0.27
13	UNITED OVERSEAS BANK NOMINEES (PRIVATE) LIMITED	4,749,150	0.25
14	KHENG LEONG COMPANY (PRIVATE) LIMITED	4,416,700	0.23
15	ZHONG SIMIN	3,871,100	0.20
16	ONG ENG LOKE	3,400,000	0.18
17	MAYBANK SECURITIES PTE. LTD.	3,229,214	0.17
18	IFAST FINANCIAL PTE. LTD.	2,288,600	0.12
19	TAN SHOOK YNG	2,270,000	0.12
20	OCBC NOMINEES SINGAPORE PRIVATE LIMITED	2,188,211	0.11
<b>TOTAL</b>		<b>1,798,653,547</b>	<b>93.14<sup>3</sup></b>

## SHAREHOLDING STATISTICS

As at March 10, 2022

### 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. <sup>4</sup>	1,278,390,000	66.19	–	–	1,278,390,000	66.19
ZHONG SHENG JIAN <sup>4</sup>	103,682,000	5.37	1,278,390,000	66.19	1,382,072,000	71.55

#### Notes:

<sup>1</sup> "Subsidiary holdings" is defined in the Listing Manual of the Singapore Exchange Securities Trading Limited to mean shares referred to in Sections 21(4), 21(4B), 21(6A) and 21(6C) of the Companies Act 1967 of Singapore.

<sup>2</sup> Percentages calculated based on share capital of the Company as at March 10, 2022, excluding treasury shares and rounded to the nearest two (2) decimal places.

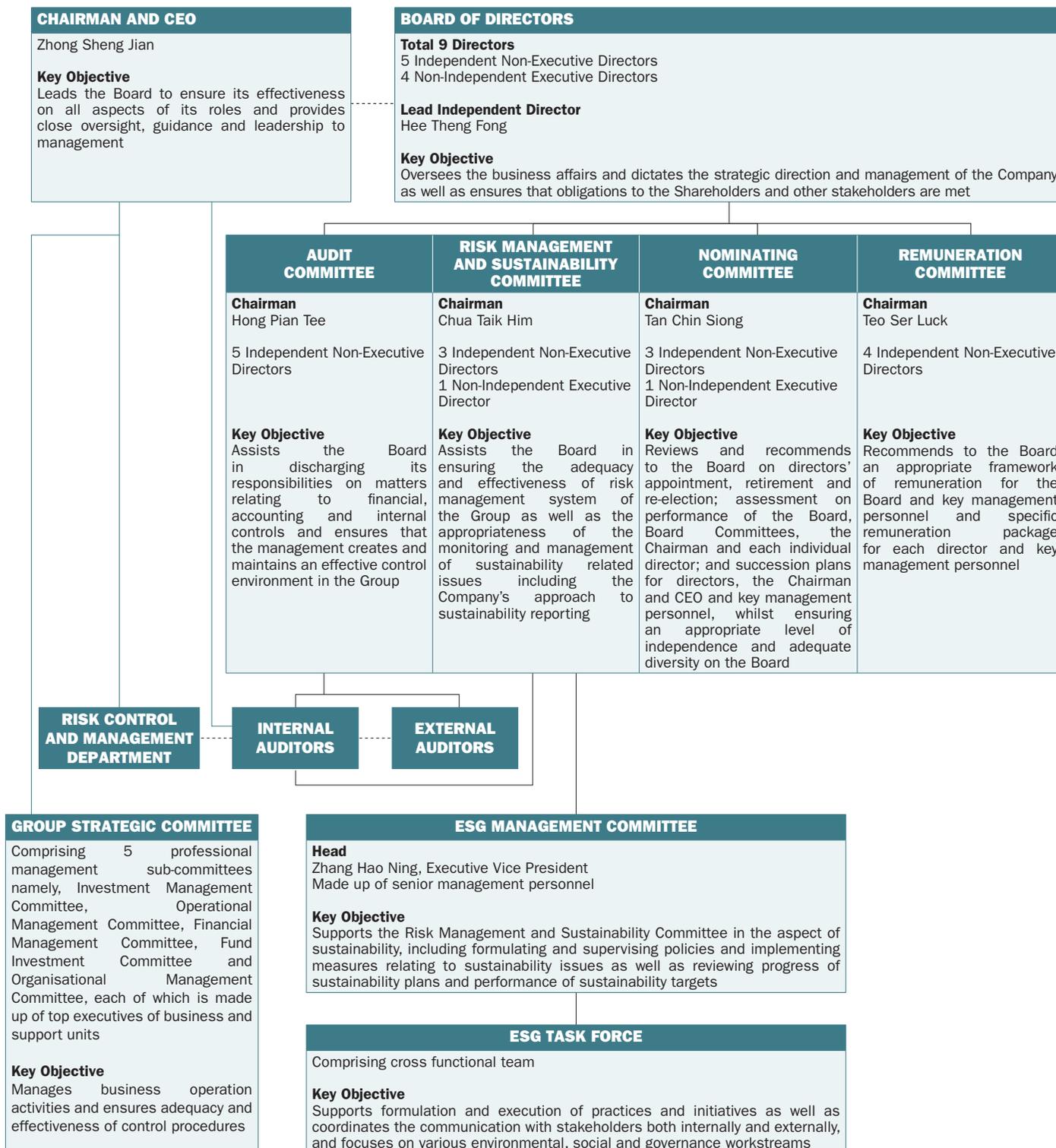
<sup>3</sup> The sum of individual percentages of shareholdings of the twenty largest shareholders of the Company.

<sup>4</sup> Zhong Sheng Jian is deemed to have an interest in 1,278,390,000 ordinary shares of the Company held by Yanlord Holdings Pte. Ltd. ("YHPL"). YHPL is a company which is owned by Zhong Sheng Jian (95% shareholding interest) and his spouse (5% shareholding interest).

Based on the information available to the Company as at March 10, 2022, approximately 26% of the issued ordinary shares (excluding treasury shares) of the Company is held by the public and accordingly, Rule 723 of the Listing Manual of the Singapore Exchange Securities Trading Limited has been complied with.

# 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. 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 the 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 2018 (“Code”). 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 Company through reviews of, among others, the financial performance, risk management system and internal controls of the Group as well as succession plans and compensation framework of directors and key management personnel, whilst considering sustainability as part of the Group’s strategy. 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. This sets 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 (details are set out in the section entitled “Core Value” of this statement) 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 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

### 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 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, recuse themselves from participating in discussion 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.

### 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, governance practices, sustainability and corporate social initiatives as well as the Board and Board Committees including terms of reference of various Board Committees are enclosing therewith to facilitate the new director's understanding. 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 experience. 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. During the financial year under review, Chua Taik Him and Tan Chin Siong were appointed by the Board as independent non-executive directors of the Company, in place of two independent non-executive directors who retired and stepped down from the Board at the conclusion of the annual general meeting of the Company held on April 29, 2021 ("2021 AGM"). A formal letter together with relevant materials were furnished to each of the abovenamed two newly appointed directors upon their appointments and both of them, being first-time directors of a listed issuer, have attended all modules of the Listed Entity Director Programme conducted by the Singapore Institute of Directors ("SID") during the year, at the expense of the Company, in line with the requirements of the Listing Manual.

Directors visit the development sites of the Group and meet 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 shall be responsible for funding any such training or development programmes. 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 SID. In 2021, save for the mandatory training programme for the two new directors, the Company has also arranged for directors to attend "ACRA-SGX-SID Audit Committee Seminar 2021 – Enterprise Resilience and Risk Management", and the relevant fees are borne by the Company. The NC, after reviewing, *inter alia*, the structure and composition of the Board 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, change of 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.

## CORPORATE GOVERNANCE

### 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. Concurrent to the change in the composition of the Board at the conclusion of the 2021 AGM, the compositions of various Board Committees have been reshuffled accordingly. The current composition of each of the Board Committees is set out in respective sections of this statement.

### Meetings of the Board and Board Committees

To facilitate meaningful participation, the schedule of meetings of the Board and Board Committees for the next calendar year is planned well in advance in consultation with the directors. *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 he is seated, except if any unusual circumstances make attendance impractical. The Company’s Constitution are sufficiently flexible to allow a director 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/chairperson 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. The number of meetings held and attended by each of the members of the Board and Board Committees during the financial year ended December 31, 2021 (“FY 2021”) are set out below:

	Board Meeting	AC Meeting	NC Meeting	RC Meeting	RMSC <sup>1</sup> Meeting	Annual General Meeting
Number of meeting(s) held in FY 2021	2	2	1	1	1	1
<b>Name of Director</b>	<b>Number of meetings attended<sup>2</sup> in FY 2021</b>					
Zhong Sheng Jian	2/2	N.A.	1/1	N.A.	1/1	1/1
Zhong Siliang	2/2	N.A.	N.A.	N.A.	N.A.	1/1
Zhong Ming	2/2	N.A.	N.A.	N.A.	N.A.	1/1
Zhong Iek Ka	2/2	N.A.	N.A.	N.A.	N.A.	1/1
Seah Lim Siang <sup>3</sup>	1/1	1/1	1/1	1/1	N.A.	1/1
Ng Shin Ein <sup>4</sup>	1/1	1/1	N.A.	1/1	1/1	1/1
Hee Theng Fong	2/2	2/2	1/1	N.A.	1/1	1/1
Hong Pian Tee	2/2	2/2	N.A.	1/1	1/1	1/1
Teo Ser Luck	2/2	2/2	1/1	1/1	N.A.	1/1
Chua Taik Him <sup>5</sup>	1/1	1/1	N.A.	N.A.	N.A.	N.A.
Tan Chin Siong <sup>6</sup>	1/1	1/1	N.A.	N.A.	N.A.	N.A.

N.A. – Not Applicable

#### Notes:

- RMSC was renamed from Risk Management Committee with effect from February 26, 2021.
- Number of meetings attended/number of meetings held while in office during the financial year/period from January 1, 2021 (or date of appointment, where applicable) to December 31, 2021 (or date of cessation, where applicable).
- Seah Lim Siang stepped down from the Board as the lead independent director and concurrently ceased to be the chairman of AC, a member of NC and a member of RC at the conclusion of 2021 AGM.
- Ng Shin Ein stepped down from the Board as an independent non-executive director and concurrently ceased to be the chairperson of RMSC, a member of AC and a member of RC at the conclusion of 2021 AGM.
- Chua Taik Him was appointed as an independent non-executive director, the chairman of RMSC, a member of AC and a member of RC on April 29, 2021.
- Tan Chin Siong was appointed as an independent non-executive director, the chairman of NC, a member of AC and a member of RC on April 29, 2021.

# CORPORATE GOVERNANCE

## 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 of the environment, 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, memorandum(s) on any financing activities or corporate actions and interested person transactions and etc. are uploaded to a secure 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 provided to the directors on a yearly basis.

## Access to Management, Company Secretary and Professional Advice

The Chairman and Chief Executive Officer ("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.

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 or 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.

## CORPORATE GOVERNANCE

### 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 (redesignated on April 29, 2021)       |
| 6. | Hong Pian Tee    | Independent Non-Executive Director                               |
| 7. | Teo Ser Luck     | Independent Non-Executive Director                               |
| 8. | Chua Taik Him    | Independent Non-Executive Director (appointed on April 29, 2021) |
| 9. | Tan Chin Siong   | Independent Non-Executive Director (appointed on April 29, 2021) |

### 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 complementary practice guidance (“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. When required, the questionnaire consisting a set of independence criteria and circumstances 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 updated in February 2022, mainly to align with the latest developments and requirements in respect of directors’ independence criteria and circumstances; which 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, 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. All of the 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 it arises. Each independent non-executive director abstained from deliberation in determining his own independence.

## CORPORATE GOVERNANCE

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 on the effectiveness of the Board and that of each Board Committee as well as contribution by each individual director to the Board relating to independence of directors for FY 2021, the NC and the Board satisfied that Hee Theng Fong, Hong Pian Tee, Teo Ser Luck, Chua Taik Him and 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 Hee Theng Fong, Hong Pian Tee, Teo Ser Luck, Chua Taik Him and 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 constructively challenge and comment on proposals on strategies; and review the performance of Management in meeting 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 comprise 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 [www.yanlordland.com/corporate-governance/](http://www.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 experiences, business background and industry knowledge, international experiences, age, gender, tenure and independence.

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 results of annual assessment on effectiveness of the Board and that of each Board Committee as well as contribution by each individual director to the Board, the independent element on the Board, the listed company board representations and other principal commitments of each director (or type of director), scope and nature of operations of the Group, business requirements, 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 the Board and Board Committees. The NC and Board are of a view that the current structure, size and composition of the Board and Board Committees are appropriate, 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, the current size, structure and composition of the Board and Board Committees shall remain unchanged.

## CORPORATE GOVERNANCE

The NC and Board also review and determine the target, plan and timeline as well as progress being made thereof towards achieving each of the Board diversity aspect 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:

<p><b>Skillset and Expertise</b></p> <p>A board with diversity in skillset and expertise provides core competencies and brings well-balanced resources and skills that support the duty of the board in monitoring corporate performance and providing strategic and effective oversight of the business.</p> <p>The Board currently comprises directors who as a group possess more than four business-related and more than five specific skillset and expertise, including entrepreneurial leadership, strategic planning, business analytics, business and management, legal, finance, accounting, auditing, technology, sales, marketing, investment and etc.</p>	<div style="text-align: center;">  <p><b>In Progress</b></p> </div> <p><b>Target:</b> The NC and Board determine that the Board should comprise directors who as a group possess at least four business-related and five specific skillset and expertise. Taking into consideration the globally increased cognisance of the sustainability issue as well as the Listing Rule 720(7) of the Listing Manual requiring all directors to undergo training on sustainability matters as prescribed by the SGX-ST, it is targeted to have this skill included as one of the requisite skillset and expertise.</p>
<p><b>Plan and timeline as well as progress being made:</b> Directors have undergone a training programme on issues relating to environmental, social and governance in February 2022. The NC and Board decided to have all directors undergo a one-time sustainability training prescribed by the SGX-ST, by the end of 2022, unless the NC after its assessment is of the view that training is not required for any such director as he has expertise in sustainability matters.</p>	
<p><b>Business Background and Industry Knowledge</b></p> <p>A board with diversity in business background and industry knowledge provides a broad range of insights, perspectives and views to drive better decision-makings in supporting the attainment of strategic objectives and sustainable development.</p> <p>The Board currently comprises directors who as a group possess more than four industry-related and more than five specific background and knowledge including real estate development/investment/management, hospitality, healthcare, professional services, energy solutions, environmental services, information technology, fund management and investment, public sector and etc.</p>	<div style="text-align: center;">  <p><b>On Target</b></p> </div> <p><b>Target:</b> The NC and Board determine that the Board should comprise directors who as a group possesses at least four industry-related and five specific background and knowledge.</p>
<p><b>Plan and timeline as well as progress being made:</b> Taking into consideration the current context as well as the future strategic objectives including growth and development plan of the Group, the NC and Board satisfied that the Board's composition in terms of business background and industry knowledge is adequate.</p>	

## CORPORATE GOVERNANCE

### International Experiences

A board with diversity in international experiences contributes to diversity of thought, experience and market-specific knowledge in allowing effective response to changes by the board and accessibility into critical markets.

The current Board comprises directors with international experiences including regional business expertise and strategic networking relationships in various countries such as Singapore, the People's Republic of China ("PRC") including Hong Kong (SAR), Malaysia, Indonesia, Japan and etc.



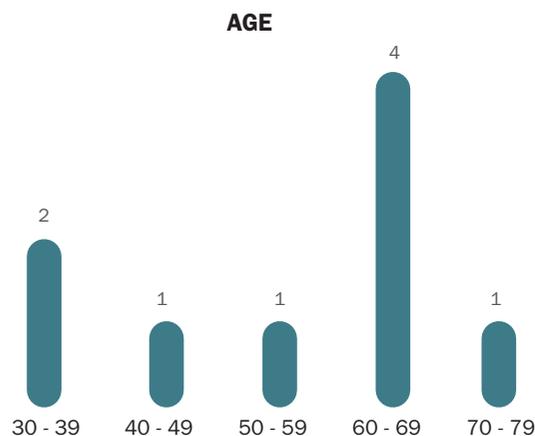
**On Target**

**Target:** The NC and Board determine that the Board should 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, PRC and Hong Kong (SAR).

**Plan and timeline as well as progress being made:** Taking into consideration the business operations as well as the future strategic objectives including growth and development plan of the Group, the NC and Board satisfied that the Board's composition in terms of international experiences is adequate.

### Age

A board with various age group introduces different perspectives to the board and enables broaden debates within the board, while reducing risk of groupthink and ensuring the board's decisions or strategy to stay relevant in the market.



**Note:** Age is grouped at the interval of 10 years and age of each director of the Company is calculated as of the date of 2022 AGM (as defined below).

The current Board comprises directors with five different age groups.

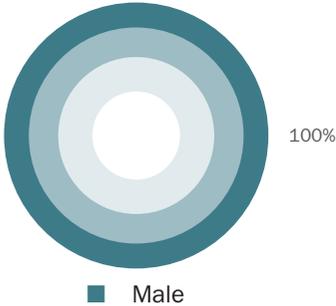


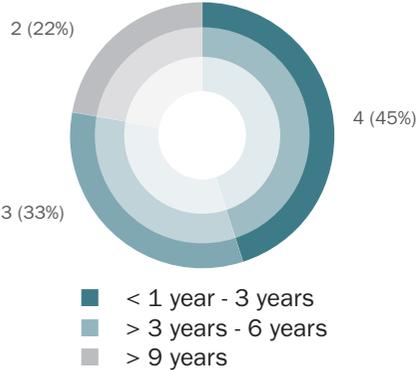
**On Target**

**Target:** The NC and Board determine that the Board should comprise at least two different age groups of directors with age spread of more than 15 years.

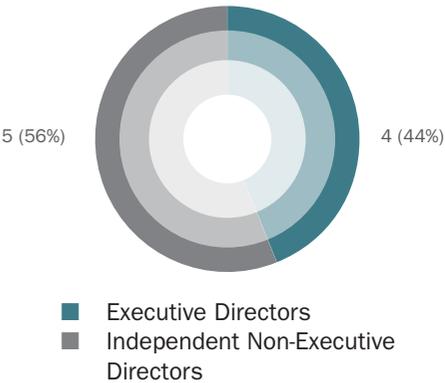
**Plan and timeline as well as progress being made:** Having noted that there is no restriction on the retirement age of directors and having due regard to the varied age groups of the current Board, the NC and Board satisfied that the Board's composition in terms of age groups is adequate.

# CORPORATE GOVERNANCE

Gender	
<p>A mixed representation of male and female directors on the board brings different perspectives, competencies, functional expertise, approaches to stewardship and risk-reward orientation in enhancing the quality of decision made.</p> <div style="text-align: center;"> <p><b>GENDER</b></p>  <p>100%</p> <p>■ Male</p> </div> <p>The current Board comprises nine male directors.</p>	 <p><b>In Progress</b></p> <p><b>Target:</b> The NC and Board determine that the Board should comprise at least one female director.</p>
<p><b>Plan and timeline as well as progress being made:</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.</p>	

Tenure	
<p>A balance of directors on the board with long and short tenures allows the board to benefit from senior directors' knowledge continuity whilst mitigating the risk of groupthink or uncritical conformity and loss of independence through introduction of new directors.</p> <div style="text-align: center;"> <p><b>TENURE</b></p>  <p>2 (22%)</p> <p>4 (45%)</p> <p>3 (33%)</p> <ul style="list-style-type: none"> <li>■ &lt; 1 year - 3 years</li> <li>■ &gt; 3 years - 6 years</li> <li>■ &gt; 9 years</li> </ul> </div> <p><b>Note:</b> Tenure is grouped at the interval of 3 years and tenure of each director of the Company is calculated as of the date of 2022 AGM. The two directors who have served the Board for more than nine years are executive directors of the Company.</p> <p>The current Board comprises three different tenure groups and none of the independent non-executive directors have serve the Board for an aggregate period of more than nine years (whether before or after listing).</p>	 <p><b>On Target</b></p> <p><b>Target:</b> The NC and Board determine that 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). In the case if any independent non-executive director shall serve the Board beyond nine years, his continuance as an independent non-executive director shall subject to the approval of Shareholders in accordance with the Listing Manual.</p>
<p><b>Plan and timeline as well as progress being made:</b> Having noted that there are no independent non-executive directors who have served the Board for an aggregate period of more than nine years and taking into consideration the succession plan for directors, the NC and Board satisfied that the Board's composition in terms of tenure groups is adequate.</p>	

## CORPORATE GOVERNANCE

<b>Independence</b>	
<p>A board with appropriate level of independence encourages unbiased decision making in aligning with the interests of Shareholders and other stakeholders.</p> <div style="text-align: center;"> <p><b>INDEPENDENCE</b></p>  <p>5 (56%)                      4 (44%)</p> <ul style="list-style-type: none"> <li><span style="color: #00728f;">■</span> Executive Directors</li> <li><span style="color: #666666;">■</span> Independent Non-Executive Directors</li> </ul> </div> <p>The current Board comprises five independent non-executive directors and four non-independent executive directors.</p>	<div style="text-align: center;">  <p><b>On Target</b></p> </div> <p><b>Target:</b> The NC and Board determine that the Board should have an appropriate level of independence with independent non-executive directors make up a majority of the Board where the Chairman is not independent.</p>
<p><b>Plan and timeline as well as progress being made:</b> Having noted that independent non-executive directors make 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, the NC and Board satisfied that the Board has an appropriate level of independence.</p>	

### Meetings of Non-Executive Directors and/or Independent Non-Executive Directors

In FY 2021, the independent non-executive directors on board, led by the lead independent director, met separately with internal and external auditors to discuss matters pertaining to the Group, without the presence of Management and the executive directors to facilitate a more effective check on the Group. No significant issues were raised at such meetings.

### 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.*

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 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 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.

# CORPORATE GOVERNANCE

## 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 and of the Board Committees 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 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 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. 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 2021.

## 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 Tan Chin Siong and the other members are Hee Theng Fong, the lead independent director, Teo Ser Luck and 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;

## CORPORATE GOVERNANCE

- (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

A new director shall be appointed by the Board after taking into consideration the recommendation made by the NC. Selection of candidates to be considered for appointment as directors may be facilitated, *inter alia*, through internal referral and/or recommendations from reliable sources. 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.

The Company's Constitution requires new directors appointed during the year to hold office only until the next annual general meeting and shall then be eligible for re-election at such annual general meeting. In this respect, any director appointed by the Board during the year of 2021 shall hold office until the next annual general meeting of the Company to be held in 2022 ("2022 AGM") and then be eligible for re-election under Regulation 88 of the Company's Constitution. 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 3, 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 the list of directors who are subject to retirement by rotation or due to cessation from holding office (and eligible for re-election) 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 independency, tenure of service, competencies, commitment, contribution and performance as well as the progress being made in achieving the objectives set for promoting adequate diversity on the Board. Recommendations on retirement by rotation and re-election will then be submitted to the Board for its decision and thereafter tabled at the annual general meeting of the Company for consideration and approval by Shareholders.

At the 2022 AGM, Zhong Siliang, Hong Pian Tee and Zhong Ming will be retiring by rotation under Regulation 89 of the Company's Constitution, and Chua Taik Him and Tan Chin Siong will cease to hold office pursuant to Regulation 88 of the Company's Constitution. The abovenamed directors have respectively expressed their stand to seek for re-election at the 2022 AGM.

## CORPORATE GOVERNANCE

### 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. 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 so as 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, annual assessments of the Board, Board Committees, the Chairman as well as each individual director, time commitment and participation of each director, composition of the Board in diversity aspects and latest developments or requirements of the 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 may be promoted or suitable candidate sourced from external referrals may be appointed to assume the roles of 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 able to act in line with the strategic direction and plans of the Group. Independency 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 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 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 the 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 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, restructuring 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, and be one who can implement the business plans of the Group.

# CORPORATE GOVERNANCE

## 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. None of the criteria and circumstances are applicable to the incumbent independent non-executive directors 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.

## 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 2021 are satisfactory and the directors achieved full attendance rates and contributed positively to discussions at meetings of Board, Board Committees and Shareholders, for FY 2021, the 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.

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 during the year 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 2021 and the Company currently does not have any alternate director.

## Key Information on Directors

Key information regarding the directors including their background information, current and past directorships and chairmanships, and shareholdings (direct and indirect) are set out in this Annual Report ("2021 Annual Report") under the heading "Board of Directors" and "Directors' Statement".

# CORPORATE GOVERNANCE

## 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 2021.

### 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 NC and Board have reviewed and approved the amendments to the performance criteria in respect of the annual assessment of the Board, each Board Committee and the Chairman for FY 2021, which are made mainly to align with various Board Committees' updated terms of reference and the Group's practices in response to the latest developments or requirements of the applicable laws and regulations. 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, conduct of meetings and functionality and the Chairman is assessed taking into consideration the role of Chairman prescribed by the relevant Practice Guidance. 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 2021 vis-à-vis that of the financial year ended 31 December 2020 ("FY 2020") 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. The set of performance criteria for FY 2021 has been updated to align with the Group's practices in response to the latest developments or requirements of the applicable laws and regulations. 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 consideration of the NC and Board, with the consultation of NC chairman.

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 is required. Based on the results of annual assessment conducted for FY 2021, 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.

# CORPORATE GOVERNANCE

## 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 Teo Ser Luck and the other three members are Hong Pian Tee, Chua Taik Him and Tan Chin Siong.

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.

#### 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 2021, 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 is 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 reviewed by the RC and subsequent 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, annual 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.

## CORPORATE GOVERNANCE

The Chairman and CEO is entitled to a basic 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 an annual discretionary bonus will be determined by the RC which 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 basic salary and annual 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 a basic 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 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.

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 framework of remuneration and fees of the independent non-executive directors of the Company benchmarking with the fees offered by the other comparable industry peers. Having considered the level of contribution of independent non-executive directors including their roles and responsibilities in Board and various Board Committees and attendance records as well as the directors' fees of other industry peers, the proposed framework for determining independent non-executive directors' fees for FY 2021 remains the same as that of FY 2020, where independent non-executive directors with full term of service shall be paid at 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 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 2022 AGM, it is proposed for each of the independent non-executive directors be paid an annual director's fee of S\$100,000 for his full term of service rendered for FY 2021, except for Seah Lim Siang and Ng Shin Ein who stepped down from the Board on April 29, 2021; and Chua Taik Him and Tan Chin Siong who were appointed on April 29, 2021 whose fees will be paid in proportion to their respective service periods rendered for FY 2021. The RC and Board are of the view that the directors' fees proposed for FY 2021, in a similar quantum paid to each of the independent non-executive directors (save for Seah Lim Siang, Ng Shin Ein, Chua Taik Him and Tan Chin Siong) for FY 2020, 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.

## CORPORATE GOVERNANCE

### Termination and Retirement Terms

The RC had reviewed the Company's obligations arising in the event of termination of the executive directors' and key management personnel's contracts of service, and having noted that, *inter alia*, provisions of these contracts including termination clauses 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 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 such contracts of service contain fair and reasonable termination clauses 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 2021.

### 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.

### 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 have considered the recommendations set out in Provision 8.1 of the Code carefully, and after taking into consideration the competitive human resource environment which is especially pronounced in the Group's segment of property market in the PRC, the Company is disclosing remuneration of the Chairman and CEO together with the other executive directors as well as the top five key management personnel in this 2021 Annual Report in aggregate amount and individually in bands of S\$250,000 with breakdown of the components of their remuneration in percentage terms instead of disclosing the specific amounts of remuneration for each of them as provided in the Code. The RC and Board believe that, taken as a whole, the disclosures are consistent with the intent of Principle 8 of the Code and able to provide meaningful information and sufficient transparency in giving an understanding of the remuneration of executive directors 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.

## CORPORATE GOVERNANCE

### 1. Remuneration of Executive Directors (including the Chairman and CEO)

The remuneration (which includes salaries, annual performance incentives and other benefits including benefits in kind, if any) paid or payable to each of the executive directors (including the Chairman and CEO) for FY 2021, in bands of S\$250,000 with breakdown of the components of remuneration in percentage terms, are as follows:

Remuneration Band	Salary <sup>1</sup>	Annual Performance Incentives	Other Benefits including Benefits in Kind	Total
<b>S\$8,500,000 to S\$8,749,999</b>				
Zhong Sheng Jian (Chairman and CEO)	3.14%	96.78%	0.08%	100%
<b>S\$1,000,000 to S\$1,249,999</b>				
Zhong Ming	57%	43%	—	100%
<b>S\$500,000 to S\$749,999</b>				
Zhong Siliang	77%	23%	—	100%
<b>S\$250,000 to S\$499,999</b>				
Zhong Iek Ka	44%	23%	33%	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 executive directors namely, Zhong Sheng Jian, Zhong Siliang, Zhong Ming and Zhong Iek Ka for FY 2021 is S\$10,708,522.33.

### 2. Directors' Fees of Independent Non-Executive Directors

Subject to the approval of the Shareholders at the 2022 AGM, the fees payable to each of the independent non-executive directors (including those who stepped down from the Board during the financial year under review) for FY 2021 are as follows:

Independent Non-Executive Directors	Directors' Fees (S\$)
Hee Theng Fong	100,000
Hong Pian Tee	100,000
Teo Ser Luck	100,000
Chua Taik Him <sup>1</sup>	67,671
Tan Chin Siong <sup>1</sup>	67,671
Seah Lim Siang <sup>1</sup>	32,603
Ng Shin Ein <sup>1</sup>	32,603
<b>Total</b>	<b>500,548</b>

**Note:**

<sup>1</sup> The directors' fees of Chua Taik Him, Tan Chin Siong, Seah Lim Siang and Ng Shin Ein were calculated in proportion to their service period rendered for FY 2021.

## CORPORATE GOVERNANCE

### 3. Remuneration of the Top Five Key Management Personnel

The remuneration (which includes salaries, annual performance incentives, other fees and other benefits including benefits in kind, if any) paid or payable to each of the following key management personnel (who are not directors or the Chairman and CEO) for FY 2021, in bands of S\$250,000 with breakdown of the components of remuneration in percentage terms, are as follows:

Remuneration Band	Salary <sup>1</sup>	Annual Performance Incentives	Other Fees	Other Benefits including Benefits in Kind	Total
<b>S\$750,000 to S\$999,999</b>					
Tan Chee Keong, Roy	59%	37%	—	4%	100%
Gao Yongjun	60%	40%	—	—	100%
<b>S\$500,000 to S\$749,999</b>					
Zhang Hao Ning	71%	29%	—	—	100%
Lu Ruifeng	76%	24%	—	—	100%
Xie Xueming	77%	23%	—	—	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 2021 is approximately S\$3,538,541.

### 4. Remuneration of 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 the Year, in bands of S\$100,000 with Breakdown of the Components of Remuneration in Percentage Terms

Remuneration Band	Position	Relationship	Salary <sup>1</sup>	Annual Performance Incentives	Other Fees	Other Benefits including Benefits in Kind	Total
<b>S\$400,000 to S\$499,999</b>							
Zheng Xi	Chairman of Nanjing Renyuan Investment Co., Ltd.	Brother of Zhong Sheng Jian <sup>2</sup>	74%	26%	—	—	100%
<b>S\$200,000 to S\$299,999</b>							
Zhong Si Nuo	Assistant to the Chairman and CEO	Daughter of Zhong Sheng Jian <sup>2</sup> and sister of Zhong Ming and Zhong lek Ka, both executive directors	82%	18%	—	—	100%
Zhong Si Li	Assistant General Manager – Wuhan	Brother of Zhong Siliang, an executive director	91%	9%	—	—	100%
Zhong Si Min	Financial Controller – Shanghai	Brother of Zhong Siliang, an executive director	80%	20%	—	—	100%

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Remuneration Band	Position	Relationship	Salary <sup>1</sup>	Annual Performance Incentives	Other Fees	Other Benefits including Benefits in Kind	Total
<b>S\$100,000 to S\$199,999</b>							
Chung Chiu Yan	Chairman of Nanjing Yanlord Enterprise Management Co., Ltd.	Brother of Zhong Sheng Jian <sup>2</sup>	100%	—	—	—	100%

**Notes:**

- <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.
- <sup>2</sup> Zhong Sheng Jian is the Chairman and CEO and a substantial shareholder of the Company.

### 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, the ESG factors that are material and pertinent to the Group's business and the Company's approach to sustainability reporting. 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 2021, 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.

## CORPORATE GOVERNANCE

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 Chua Taik Him and the other three members are Hee Theng Fong, Hong Pian Tee and Zhong Sheng Jian.

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

Based on the internal controls established and maintained by the Group, work performed by internal and external auditors, and reviews performed by Management, various Board Committees and the Board, the Board, with the concurrence of the AC, have rigorously assessed and are satisfied that the Group's internal controls, including financial, operational, compliance and information technology controls, and risk management systems, were adequate and effective as at December 31, 2021. No material weaknesses are identified by the Board and RMSC for FY 2021.

The Board has received a written certification from the Chairman and CEO and the Group Financial Controller as well as the internal auditors for an assurance that in respect of FY 2021, 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 regarding the adequacy and effectiveness of the Group's internal controls, including financial, operational, compliance and information technology controls, and risk management systems as at December 31, 2021.

## 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 Hong Pian Tee and the other four members are Hee Theng Fong, Teo Ser Luck, Chua Taik Him and 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 whistle-blowing 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.

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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 the presence of the executive directors and Management. In FY 2021, the AC held 2 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 the 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 former partners or directors of the Company's existing auditing firm is a member of the AC. 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, 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 2021, the external auditors of the Company and its Singapore-incorporated subsidiaries and significant associated companies were Deloitte & Touche LLP, Singapore ("Deloitte Singapore"), an audit firm registered with Accounting and Corporate Regulatory Authority ("ACRA"). The Group incurred an aggregate amount of fees of approximately RMB9.3 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 2021, as follows:

Fees to Deloitte for FY 2021	(RMB' million)	Equivalent to Approximately (S\$' million)
Total Audit Fees	7.9	1.6
Total Non-audit Fees	1.4	0.3
<b>Total</b>	<b>9.3</b>	<b>1.9</b>

**Note:**

<sup>1</sup> The above fees excluded out of pocket expenses and goods and services tax, and are rounded to the nearest one decimal place.

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 2021 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. 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 Group since June 29, 2020.

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The Group has also complied with Rule 712 and Rule 715 of the Listing Manual in appointing the audit firms in respect of FY 2021.

### AC Commentary on Significant Matters

In the review of the financial statements for FY 2021, the AC has discussed with both the Management and the external auditors the impact of the COVID-19 pandemic and its effects on the business segments in which the Group operates, and the accounting principles that were applied and their judgement of items that might affect the integrity of the financial statements. The following significant matters impacting the financial statements were reviewed by the AC and discussed with Management and the external auditors in relation to their materiality and appropriate methodology/assessment.

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 2021. Refer to page 86 of this 2021 Annual Report.</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 carpark 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 2021. Refer to page 87 of this 2021 Annual Report.</p>

### 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 [www.yanlordland.com/corporate-governance/](http://www.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 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

## CORPORATE GOVERNANCE

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 2021.

### Internal Audit

The Group has an in-house internal audit function, led by Tsui Kai Fung, a qualified and 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 or graduates of (i) The Institute of Internal Auditors; (ii) The Hong Kong Institute of Certified Public Accountants (“HKICPA”); (iii) The Association of Chartered Certified Accountants; or (iv) The Hong Kong Chartered Governance Institute. Training and development opportunities are provided for internal audit staff to ensure their technical knowledge and skill sets 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 carries out its function according to the Auditing Guideline – Guidance for Internal Auditors issued by the HKICPA. The internal auditors schedule the Group’s yearly internal audit plan 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 implementation of corrective measures on last internal audit findings and corrective measures recommended by the internal auditors as well as the Management’s responsiveness to present internal audit findings and corrective measures. In the event there is 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 2021.

Based on the internal controls established and maintained by the Group, work performed by internal auditors as reviewed by the AC and yearly key internal controls report tabled to the AC, the AC satisfied that the Company’s Internal Audit 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.

# CORPORATE GOVERNANCE

## 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 statements 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 on 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 relevant presentation materials are made available on SGXNET and the Company's website at [yanlord.listedcompany.com/conference.html](http://yanlord.listedcompany.com/conference.html) for the benefit of Shareholders. The Company's corporate website is [www.yanlordland.com](http://www.yanlordland.com).

## Participation and Voting at General Meetings

All the general meetings of Shareholders 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, the 2021 AGM was held and conducted by electronic means in place of a physical meeting and members of the Company were not able to attend the 2021 AGM in person. Instead, members of the Company (including CPF and SRS investors) participated in the 2021 AGM by watching and/or listening to the proceedings of the 2021 AGM through live audio-visual webcast or live audio-only stream.

Members of the Company were, in advance, informed of relevant rules and procedures on the alternative arrangements of 2021 AGM. Among others, members registered online for participation in the 2021 AGM, and upon verification, received an email containing (i) the login credentials, the link and the steps to access the live audio-visual webcast of the 2021 AGM proceedings, and (ii) the live audio-only stream dial-in numbers to listen to the 2021 AGM proceedings. Members of the Company were also given a right to vote on all or any of the resolutions proposed at the 2021 AGM by submitting a proxy form before the prescribed timeline to appoint only the Chairman of the 2021 AGM as their proxy to cast votes on their behalf. Separate resolutions were proposed for substantially separate issues, so as the members 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 2020 under the heading "Additional Information on Directors Seeking Re-election" and the appendix to notice of 2021 AGM, respectively, and information on other resolutions were set out in the notice of 2021 AGM. All resolutions of the 2021 AGM were voted by poll, by the Chairman of the 2021 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 2021 AGM, and counted and validated by DrewCorp Services Pte. Ltd., an independent service provider and the appointed scrutineer for 2021 AGM. Members of the Company submitted questions related to the resolutions proposed at the 2021 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 SGXNET and the Company's website, prior to 2021 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 its annual reports in CD-ROM. The annual report for FY 2020 containing notice of the 2021 AGM and proxy form, together with the appendix to notice of the 2021 AGM have been made available on the SGXNET and the Company's website, and members of the Company were able to send in their request to the Company to ask for a printed copy of the same to be delivered to them.

In light of the ongoing COVID-19 situation in Singapore, the 2022 AGM to be held in April 2022 will continue to be held and conducted via electronic means. Details of alternative arrangements in respect of the 2022 AGM, including arrangements on registration for participation in the 2022 AGM via live audio-visual webcast or live audio-only stream, proxy voting on resolutions to be passed at the 2022 AGM by appointing the Chairman of the 2022 AGM, submission of questions related to the 2022 AGM through prescribed manners and within prescribed timeline as well as the availability of documents relating to the business of 2022 AGM on the SGXNET and the Company's website, are set out in the notice of the 2022 AGM. The Company will closely monitor the COVID-19 situation and measures which may be imposed by the relevant authorities, from time to time, and may be required to change the 2022 AGM arrangements at short notice. Members of the Company are advised to regularly check the Company's website at [yanlord.listedcompany.com/newsroom.html](http://yanlord.listedcompany.com/newsroom.html) and/or any announcement to be released by the Company via SGXNET at [www.sgx.com/securities/company-announcements](http://www.sgx.com/securities/company-announcements) for updates on the arrangements for 2022 AGM.

## CORPORATE GOVERNANCE

In normal circumstances where general meeting is held physically and the members are allowed to attend, speak and vote at such general meeting, each individual member may appoint not more than two proxies in accordance with the regulation of the Company's Constitution for the proxies to attend, speak and vote on his/her behalf at the general meeting if he/she is unable to attend the general meeting in person. A member of the Company who is a relevant intermediary (as defined in Section 181(6) of the Companies Act 1967 of Singapore ("Act")) is entitled to appoint more than two proxies to attend, speak and vote in 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 members 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 then existing 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 2021 AGM via video conferencing, while the representatives from the external auditors, the share registrar and polling agent, and the scrutineer participated in the 2021 AGM via live audio-visual webcast. The directors always strive to attend all general meetings of Shareholders and interact with Shareholders regularly.

### Voting Results and Minutes of General Meetings

The voting outcomes of all resolutions were disclosed subsequent to the 2021 AGM in accordance with the prescribed format pursuant to Chapter 7 of the Listing Manual via SGXNET on the same day.

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 meeting and responses from the Board, Management and external auditors. Minutes of the 2021 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. The Board has declared a final dividend of 6.8 Singapore cents (equivalent to approximately 32.75 Renminbi cents) per ordinary share in respect of FY 2021, and subject to the approval of the Shareholders at the 2022 AGM, the Company will pay this dividend to its Shareholders on June 6, 2022. 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 a 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 [www.yanlordland.com/contact-us/](http://www.yanlordland.com/contact-us/).

## CORPORATE GOVERNANCE

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). 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 operation review section of this 2021 Annual Report.

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. 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.

### 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 4-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 [www.yanlordland.com/privacy-policy/](http://www.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 [www.yanlordland.com/green-finance-framework](http://www.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.

## CORPORATE GOVERNANCE

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 investors, creditors and market confidence as well as in assuring the stakeholders including creditors on how their interests are being taken care of and protected by the Group.

The Group's approach in managing issues relating to ESG and sustainability in FY 2021 is summarised in this 2021 Annual Report 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 on the SGXNET and the Company's website at [www.yanlordland.com/sustainability/](http://www.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 [www.yanlordland.com/contact-us/](http://www.yanlordland.com/contact-us/), (ii) the internal auditor through the email address or mailing address set out in the Company's whistle-blowing 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 and 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 [www.yanlordland.com/corporate-governance/](http://www.yanlordland.com/corporate-governance/).

#### 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 material 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. 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 Thursday, April 28, 2022 at 2.00 p.m. (Singapore time) 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, 2021 together with the auditor’s report thereon. **(Resolution 1)**
2. To declare a final tax-exempt dividend of 6.8 Singapore cents (equivalent to approximately 32.75 Renminbi cents) per ordinary share in respect of the financial year ended December 31, 2021. **(Resolution 2)**
3. To approve the payment of directors’ fees of S\$500,548.00 (equivalent to approximately RMB2,397,738.48) for the financial year ended December 31, 2021 (FY2020: S\$484,699.45, equivalent to approximately RMB2,425,412.43). **(Resolution 3)**
4. 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) Zhong Siliang **(Resolution 4a)**
  - b) Hong Pian Tee **(Resolution 4b)**
  - c) Zhong Ming **(Resolution 4c)**

(Detailed information of these Directors can be found under the sections of “Board of Directors”, “Directors’ Statement” and “Additional Information on Directors Seeking Re-election” in the Company’s Annual Report for the financial year ended December 31, 2021 (“Annual Report 2021”).)

5. To re-elect the following Directors, who will cease to hold office pursuant to Regulation 88 of the Constitution of the Company and who, being eligible, offer themselves for re-election:
  - a) Chua Taik Him **(Resolution 5a)**
  - b) Tan Chin Siong **(Resolution 5b)**

(Detailed information of these Directors can be found under the sections of the “Board of Directors”, “Directors’ Statement” and “Additional Information on Directors Seeking Re-election” in the Annual Report 2021.)

6. To re-appoint Messrs Deloitte & Touche LLP, Singapore as Auditors of the Company and to authorise the Directors to fix their remuneration. **(Resolution 6)**

### SPECIAL BUSINESS

To consider and if thought fit, to pass, with or without any amendments, the following resolutions as Ordinary Resolutions:

7. That authority be and is hereby given to the Directors to:
  - (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,

## NOTICE OF ANNUAL GENERAL MEETING

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 (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 any treasury shares and subsidiary holdings) (as calculated in accordance with sub-paragraph (2) below);
- (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 any treasury shares and subsidiary holdings) shall be based on the total number of issued Shares (excluding any 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” has the meaning ascribed to it in the Listing Manual of the SGX-ST;
- (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 of the SGX-ST 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 earlier. **(Resolution 7)**

8. That:

- (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 acquire issued and fully 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 and/or Other Exchange (“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 interest of the Company, which scheme(s) shall satisfy all the terms and conditions that are consistent with the Act, the Listing Manual of the SGX-ST or, as the case may be, rules of Other Exchange, the Code of Corporate Governance 2018 and the Constitution for the time being of the Company (“Off-Market Purchase”),

and otherwise in accordance with all other laws, regulations and rules 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 shareholders at a 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 earlier 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; or
  - (c) the purchases or acquisitions of Shares pursuant to the Share Buyback Mandate 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 fully paid-up Shares (excluding any treasury shares and subsidiary holdings (as defined in the Listing Manual of the SGX-ST)) as at date of the passing of this Resolution;
- “Maximum Price” in relation to a Share to be purchased or acquired, means the purchase price (excluding brokerage, commission, applicable goods and services tax, stamp duties, clearance fees and other related expenses) 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 a Share over the last five (5) market days on which the Shares were transacted on the SGX-ST or, as the case may be, Other Exchange, immediately preceding the date of the Market Purchase by the Company or, as the case may be, the date of the making of the offer(s) pursuant to the Off-Market Purchase, and deemed to be adjusted, in accordance with the Listing Manual of the SGX-ST, 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(s) pursuant to the Off-Market Purchase are made; and
- “date of the making of the offer” means the date on which the Company makes an offer for the purchase or acquisition of the Shares from shareholders, stating therein the relevant terms of the equal access scheme for effecting the Off-Market Purchase.
- (4) each and any Directors and/or secretary of the Company be and are/is 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/she 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.

**(Resolution 8)**

# NOTICE OF ANNUAL GENERAL MEETING

## NOTICE OF RECORD AND DIVIDEND PAYMENT DATES

NOTICE IS ALSO HEREBY GIVEN THAT subject to the approval of shareholders at the AGM of the Company to be held on April 28, 2022 (“2022 AGM”) for the final tax-exempt dividend of 6.8 Singapore cents (equivalent to approximately 32.75 Renminbi cents) per ordinary share in respect of the financial year ended December 31, 2021 (“Proposed Dividend”), the Share Transfer Books and Register of Members of the Company will be closed after 5.00 p.m. on May 19, 2022 up to (and including) May 20, 2022, for the preparation of dividend warrants.

Duly completed registrable transfers in respect of ordinary shares of the Company received by the Company’s Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd. at 1 Harbourfront Avenue, Keppel Bay Tower, #14-07, Singapore 098632, up to 5.00 p.m. on May 19, 2022 (“Record Date and Time”) will be registered to determine shareholders’ entitlements to the Proposed Dividend. Shareholders whose securities accounts with The Central Depository (Pte) Limited are credited with ordinary shares of the Company as at Record Date and Time will rank for the Proposed Dividend.

The Proposed Dividend, if approved by shareholders at the 2022 AGM, will be paid on June 6, 2022.

## BY ORDER OF THE BOARD

Sau Ean Nee  
Company Secretary

April 6, 2022  
Singapore

### Explanatory Notes:

- (i) Resolution 3, if passed, the payment of such directors’ fees will be made to the independent non-executive directors. The framework for determining the fees of independent non-executive directors for the financial year ended December 31, 2021 remains unchanged from the framework for the financial year ended December 31, 2020. Additional information on the framework and directors’ fees can be found under the section of “Corporate Governance” in the Annual Report 2021.
- (ii) Resolution 4b: Hong Pian Tee who is an independent non-executive director will, upon re-election as a Director, continue to serve as Chairman of Audit Committee, a member of Remuneration Committee and a member of Risk Management and Sustainability Committee.
- (iii) Resolution 5a: Chua Taik Him who is an independent non-executive director will, upon re-election as a Director, continue to serve as Chairman of Risk Management and Sustainability Committee, a member of Audit Committee and a member of Remuneration Committee.
- (iv) Resolution 5b: Tan Chin Siong who is an independent non-executive director will, upon re-election as a Director, continue to serve as Chairman of Nominating Committee, a member of Audit Committee and a member of Remuneration Committee.
- (v) Resolution 7, if passed, will empower the Directors from the date of the 2022 AGM until the date of next AGM of the Company (unless such authority is previously revoked or varied at a 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 issued Shares (excluding any treasury shares and subsidiary holdings) with a sub-limit of 20% for issues other than on a *pro-rata* basis to shareholders (calculated as described above).
- (vi) Resolution 8 relates to the renewal of the Share Buyback Mandate which was last approved by shareholders on April 29, 2021. Please refer to the appendix to this Notice of AGM on the proposed renewal of the Share Buyback Mandate, for details.

# NOTICE OF ANNUAL GENERAL MEETING

## Important Notes:

To help keep physical interactions and COVID-19 transmission risks to a minimum, the 2022 AGM will be conducted by electronic means in place of a physical meeting and members will not be able to attend the 2022 AGM in person. Instead, members may participate 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.

Members should take note of the following arrangements for the 2022 AGM and follow the relevant procedures and/or instructions:

### (i) Registration for Participation at the 2022 AGM Electronically

Members who are entitled to attend, speak and vote at the 2022 AGM, as well as CPF and SRS investors, and who wish to participate in the 2022 AGM electronically, must register online via the pre-registration website at [go.lumiengage.com/yanlordagm2022](http://go.lumiengage.com/yanlordagm2022) by **April 25, 2022 no later than 2.00 p.m.** to enable the Company's Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., to verify your member status. You will have to provide your personal information including full name, identification no., shareholding type(s) and contact details for purposes of verification, recordings and/or disclosure at the webcast, in the Minutes of the 2022 AGM and/or publication on the Company's website as well as the Singapore Exchange's website (as appropriate).

Following verification, authenticated members (including CPF and SRS investors) will receive an email containing (i) the unique login credentials and the steps on how to access the live audio-visual webcast of the 2022 AGM proceedings, and (ii) the live audio-only dial-in numbers to listen to the 2022 AGM proceedings. Members must not forward such email and information therein to any other person. Recording of the 2022 AGM proceedings in whatever form is also strictly prohibited. Members (including 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, 2022 should contact the Company's Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., via email at [bcasmeetings@boardroomlimited.com](mailto:bcasmeetings@boardroomlimited.com).

If members hold shares through Relevant Intermediaries (as defined in Section 181 of the Act) and wish to participate in the 2022 AGM electronically, you should contact the Relevant Intermediaries through which you hold such shares to submit your interest.

### (ii) Proxy Voting on Resolutions to be Passed at the 2022 AGM

Members who wish to vote on all or any of the resolutions to be proposed at the 2022 AGM ("Resolutions") must submit a proxy form to appoint only the Chairman of the 2022 AGM as your proxy to cast votes on your behalf. The proxy form, duly completed and signed/executed in accordance with the instructions on the proxy form, must be submitted (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 2022 AGM, i.e. **by April 25, 2022 no later than 2.00 p.m.**

CPF and SRS investors who wish to vote on all or any of the Resolutions should approach your respective CPF Agent Banks or SRS Operators **at least seven (7) working days before the 2022 AGM** to appoint the Chairman of the 2022 AGM as proxy and submit your votes accordingly. Any person who holds shares through Relevant Intermediaries and who wishes to vote on all or any of the Resolutions should approach the Relevant Intermediaries through which you hold such shares as soon as possible.

Members should specifically direct the Chairman of the 2022 AGM on how you wish to vote for or against (or abstain from voting on) the Resolutions.

Please note that no real-time remote electronic voting system will be provided at the 2022 AGM and members will not be able to vote through electronic means. Proxy form can be found in the Annual Report 2021 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 [www.sgx.com/securities/annual-reports-related-documents](http://www.sgx.com/securities/annual-reports-related-documents). The proxy form can also be downloaded via the pre-registration website at [go.lumiengage.com/yanlordagm2022](http://go.lumiengage.com/yanlordagm2022).

## NOTICE OF ANNUAL GENERAL MEETING

### (iii) Submission of Questions

Members are allowed to submit your questions related to the Resolutions, if any, to the Company **by April 18, 2022 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 you register online via pre-registration website at [go.lumiengage.com/yanlordagm2022](http://go.lumiengage.com/yanlordagm2022).

Any response to substantial and relevant questions received within the above prescribed timeline will be published by the Company on the Singapore Exchange's website at [www.sgx.com/securities/company-announcements](http://www.sgx.com/securities/company-announcements) and the Company's website at [yanlord.listedcompany.com/newsroom.html](http://yanlord.listedcompany.com/newsroom.html) **by April 22, 2022 no later than 2.00 p.m.** Any subsequent clarifications sought, or follow-up questions in respect of substantial and relevant matters may be addressed at the 2022 AGM.

Please note that no real-time electronic communication facilities will be provided at the 2022 AGM and members will not be able to ask questions through the live audio-visual webcast or the live audio-only stream during the 2022 AGM.

### (iv) Access to Documents or Information Relating to Business of the 2022 AGM

Documents relating to the business of the 2022 AGM including (i) the Annual Report 2021 containing this Notice of AGM and accompanying section of "Additional Information on Directors Seeking Re-election" as well as proxy form and (ii) appendix to this Notice of AGM, containing a letter to shareholders dated April 6, 2022 in relation to the proposed renewal of Share Buyback Mandate ("Appendix") 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 [www.sgx.com/securities/annual-reports-related-documents](http://www.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 2022 AGM will not be sent to the members. Members who wish to receive a printed copy of the Annual Report 2021 and/or the Appendix, may send in your request to the Company by completing and returning the request form appended in the Annual Report 2021 (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).

Due to the constantly evolving COVID-19 situation in Singapore, the Company may be required to change the arrangements for the 2022 AGM at short notice. Members 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 [www.sgx.com/securities/company-announcements](http://www.sgx.com/securities/company-announcements) for updates on the 2022 AGM.

### PERSONAL DATA PRIVACY:

By registering and/or participating in the 2022 AGM and/or any adjournment thereof via electronic means, submitting an instrument appointing the Chairman of the 2022 AGM as proxy to vote at the 2022 AGM and/or any adjournment thereof, and/or submitting questions related to the Resolutions, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents or service providers) for the purpose of the verification, processing and/or administration by the Company (or its agents or service providers) of participants in the 2022 AGM, proxy appointed for the 2022 AGM, votes cast at the 2022 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 2022 AGM by electronic means, votes cast by members, responses to questions, attendance lists, minutes and other documents relating to the 2022 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 stock exchange, regulations and/or guidelines (collectively, the "Purposes"), (ii) warrants that where the member discloses the personal data of the member's representative(s) and/or third parties to the Company (or its agents or service providers), the member has obtained the prior consent of such 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 representative(s) and/or third parties for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

## ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

The additional information below on Zhong Siliang, Hong Pian Tee, Zhong Ming, Chua Taik Him and Tan Chin Siong, being the directors seeking re-election at the Annual General Meeting of the Company to be held on April 28, 2022, is to be read in conjunction with their other respective information set out under the sections “Board of Directors” and “Directors’ Statement” of this 2021 Annual Report.

Name of Director Description	Zhong Siliang	Hong Pian Tee	Zhong Ming
The Board's comments on the re-election (including rationale, selection criteria, board diversity considerations, and the search and nomination process)	The re-election of Mr. Zhong Siliang as an Executive Director of the Company was recommended by the Nominating Committee and approved by the Board of Directors, after taking into consideration his contributions, performance, academic qualifications, expertise and working experiences which bring Board diversity in terms of skillset and expertise, business background and industry knowledge, international experiences and tenure, whilst his personal attributes also contributed to Board diversity in other aspect, such as age, generally in complementary to the Board mix to enhance decision-makings in supporting the attainment of the Group's strategic objectives and sustainable development.	The re-election of Mr. Hong Pian Tee as an Independent Non-Executive Director of the Company was recommended by the Nominating Committee and approved by the Board of Directors, after taking into consideration his contributions, performance, expertise, working experiences and independence which bring Board diversity in terms of skillset and expertise, business background and industry knowledge, international experiences, tenure and independence, whilst his personal attributes also contributed to Board diversity in other aspect, such as age, generally provides multiple perspectives, enhances decision-makings, avoids groupthink or uncritical conformity and fosters constructive debate.	The re-election of Mr. Zhong Ming as an Executive Director of the Company was recommended by the Nominating Committee and approved by the Board of Directors, after taking into consideration his contributions, performance, academic qualifications, expertise and working experiences which bring Board diversity in terms of skillset and expertise, business background and industry knowledge, international experiences and tenure, whilst his personal attributes also contributed to Board diversity in other aspect, such as age, generally introduces different perspectives to the Board and avoids groupthink.
Conflict of interest (including any competing business)	None	Sinarmas Land Limited – investment in property/hotel/golf courses & property development in Indonesia, property investment in England, golf courses & hotel in Malaysia and property development in the People's Republic of China.	None

## ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

Name of Director	Zhong Siliang	Hong Pian Tee	Zhong Ming
Description			
Undertaking (in the format set out in Appendix 7.7) under Rule 720(1) of the Listing Manual of the Singapore Exchange Securities Trading Limited ("Listing Manual") has been submitted to the Company	Yes	Yes	Yes
Other Principal Commitments including Directorships for past 5 years and present	None	<u>Present:</u> 1. Pei Hwa Foundation Limited 2. XMH Holdings Ltd. 3. Sinarmas Land Limited 4. Hyflux Ltd 5. YHI International Limited  <u>Past 5 years:</u> 1. AsiaPhos Limited 2. Memstar Technology Ltd.	<u>Present:</u> 1. SIIC Environment Holdings Ltd 2. Ren Ci Hospital
Answer to information required/questions (a) to (k) listed in Appendix 7.4.1 (Announcement of Appointment) of the Listing Manual	No	No	No

## ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

Name of Director Description	Chua Taik Him	Tan Chin Siong
The Board's comments on the re-election (including rationale, selection criteria, board diversity considerations, and the search and nomination process)	The re-election of Mr. Chua Taik Him as an Independent Non-Executive Director of the Company was recommended by the Nominating Committee and approved by the Board of Directors, after taking into consideration his contributions, performance, academic qualifications, expertise, working experiences and independence which bring Board diversity in terms of skillset and expertise, business background and industry knowledge, international experiences, tenure and independence, whilst his personal attributes also contributed to Board diversity in other aspect, such as age, generally provides multiple perspectives, enhances decision-makings, avoids groupthink or uncritical conformity and fosters constructive debate.	The re-election of Mr. Tan Chin Siong as an Independent Non-Executive Director of the Company was recommended by the Nominating Committee and approved by the Board of Directors, after taking into consideration his contributions, performance, academic qualifications, expertise, working experiences and independence which bring Board diversity in terms of skillset and expertise, business background and industry knowledge, international experiences, tenure and independence, whilst his personal attributes also contributed to Board diversity in other aspect, such as age, generally provides multiple perspectives, enhances decision-makings, avoids groupthink or uncritical conformity and fosters constructive debate.
Conflict of interest (including any competing business)	None	None
Undertaking (in the format set out in Appendix 7.7) under Rule 720(1) of the Listing Manual of the Singapore Exchange Securities Trading Limited ("Listing Manual") has been submitted to the Company	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. Risa Partners Asia Pte. Ltd.</li> </ol> <p><u>Past 5 years:</u></p> <ol style="list-style-type: none"> <li>1. International Enterprise Singapore</li> <li>2. Asian Development Bank</li> <li>3. Asia Infrastructure Centre of Excellence</li> <li>4. ASEAN Infrastructure Fund Limited</li> <li>5. CrimsonLogic Pte Ltd</li> <li>6. Gets Global Pte. Ltd.</li> <li>7. Enterprise Singapore</li> <li>8. Ascent Solutions Pte. Ltd.</li> </ol>	<p><u>Past 5 years:</u></p> <ol style="list-style-type: none"> <li>1. Singapore Member of Parliament</li> <li>2. Government Feedback Unit REACH</li> </ol>
Answer to information required/questions (a) to (k) listed in Appendix 7.4.1 (Announcement of Appointment) of the Listing Manual	No	No

# YANLORD LAND GROUP LIMITED

(Incorporated in the Republic of Singapore)

Company Registration No. 200601911K

## PROXY FORM

### ANNUAL GENERAL MEETING

**IMPORTANT:**

1. The 2022 Annual General Meeting (as defined below) 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 and members will not be able to attend the 2022 Annual General Meeting in person. No real-time remote electronic voting system will be provided at the 2022 Annual General Meeting. **Members who wish to vote on the resolutions to be proposed at the 2022 Annual General Meeting, must do so by proxy only, and only the Chairman of 2022 Annual General Meeting may be appointed as proxy.**
2. Details of alternative arrangements in respect of the 2022 Annual General Meeting, including arrangements on registration for participation in the 2022 Annual General Meeting via live audio-visual webcast or live audio-only stream, submission of questions related to the resolutions to be proposed at the 2022 Annual General Meeting, proxy voting by appointing only the Chairman of 2022 Annual General Meeting as well as availability of documents relating to the resolutions to be proposed at the 2022 Annual General Meeting are set out in the notice of the 2022 Annual General Meeting dated April 6, 2022 ("Notice"). Printed copies of the Notice and this instrument of proxy ("Proxy Form") will not be sent to members. The annual report of the Company for the financial year ended December 31, 2021 ("2021 Annual Report") 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 SGX's website at [www.sgx.com/securities/annual-reports-related-documents](http://www.sgx.com/securities/annual-reports-related-documents).
3. **CPF and SRS investors, who wish to vote on the resolutions to be proposed at the 2022 Annual General Meeting, should approach their respective CPF Agent Banks/SRS Operators at least seven (7) working days before the 2022 Annual General Meeting to appoint the Chairman of 2022 Annual General Meeting as proxy and submit their votes.**
4. By submitting this Proxy Form, the member accepts and agrees to the personal data privacy terms set out in the Notice.
5. **Please read the notes overleaf for further instructions.**

I/We (Name) \_\_\_\_\_ (NRIC/Passport/Company Registration No.) \_\_\_\_\_

of (Address) \_\_\_\_\_

being a member/members of Yanlord Land Group Limited ("Company"), hereby appoint the Chairman of the Annual General Meeting of the Company as my/our proxy to vote for me/us on my/our behalf at the Annual General Meeting of the Company to be convened and held by way of electronic means on Thursday, April 28, 2022 at 2.00 p.m. (Singapore Time) ("2022 Annual General Meeting") and at any adjournment thereof.

I/We direct the Chairman of 2022 Annual General Meeting to vote for or against, or to abstain from voting the resolutions to be proposed at the 2022 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	Declaration of a Final Tax-Exempt Dividend			
3	Approval of Directors' Fees			
4a	Re-election of Zhong Siliang as Director			
4b	Re-election of Hong Pian Tee as Director			
4c	Re-election of Zhong Ming as Director			
5a	Re-election of Chua Taik Him as Director			
5b	Re-election of Tan Chin Siong as Director			
6	Re-appointment of Deloitte & Touche LLP, Singapore as Auditors and Authority for Directors to Fix Their Remuneration			
	<b>SPECIAL BUSINESS</b>			
7	Authority for Directors to Issue Shares and/or Make or Grant Instruments Convertible into Shares pursuant to Section 161 of the Companies Act 1967 of Singapore			
8	Approval of Renewal of Share Buyback Mandate			

\* Voting will be conducted by poll. If you wish to exercise all your votes "For" or "Against" a resolution or "Abstain" from voting, please tick (✓) within the relevant box provided in respect of that resolution. Alternatively, please indicate the number of votes that the Chairman of 2022 Annual General Meeting as your proxy is 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 in respect of a resolution, the appointment of the Chairman of 2022 Annual General Meeting as your proxy for that resolution will be treated as invalid.**

Dated this \_\_\_\_\_ day of \_\_\_\_\_ 2022

Total number of ordinary shares held

\_\_\_\_\_  
Signature(s) or Common Seal of Member(s)

**IMPORTANT: PLEASE READ NOTES OVERLEAF**

## PROXY FORM

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**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, 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 can be found in 2021 Annual Report which is published on the Company's website at [yanlord.listedcompany.com/ar.html](http://yanlord.listedcompany.com/ar.html) and the SGX's website at [www.sgx.com/securities/annual-reports-related-documents](http://www.sgx.com/securities/annual-reports-related-documents), or can be downloaded at [go.lumiengage.com/yanlordagm2022](http://go.lumiengage.com/yanlordagm2022).
3. This Proxy Form shall, in the case of an individual, be signed under the hand of the appointor or his/her attorney duly authorised in writing. Where a Proxy Form is executed by a corporation, it must be executed either under its common seal or signed under the hand of an attorney or an officer of the corporation duly authorised.
4. Where a Proxy Form is signed on behalf of the appointor by an attorney, the letter or power of attorney or a duly certified copy thereof must be lodged with the Proxy Form, failing which the Proxy Form may be treated as invalid.
5. The Chairman of 2022 Annual General Meeting, as proxy, need not be a member of the Company.
6. This Proxy Form (together with the letter or power of attorney, if any, under which it is signed or a certified copy thereof) must be submitted (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 2022 Annual General Meeting, i.e. **by April 25, 2022 no later than 2.00 p.m.**
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 member, being the appointor, is not shown to have ordinary shares in the Company entered against his/her name in the Depository Register as at 72 hours before the time fixed for holding the 2022 Annual General Meeting, as certified by The Central Depository (Pte) Limited to the Company.
8. Completion and return of this Proxy Form shall not preclude a member from participating in the 2022 Annual General Meeting electronically, either by way of live audio-visual webcast or live audio-only stream; and/or submitting questions related to the resolutions to be proposed at the 2022 Annual General Meeting to the Company.

# REQUEST FORM

To: **YANLORD LAND GROUP LIMITED (“Company”)**

Name:	
Mailing Address:	
Please send me/us a printed copy of*: <small>* Please tick (✓) within the relevant box provided below.</small>	
<input type="checkbox"/>	Annual Report of the Company for the Financial Year Ended December 31, 2021 (“2021 Annual Report”)
<input type="checkbox"/>	Appendix to the Notice of Annual General Meeting containing a Letter to Shareholders of the Company dated April 6, 2022 in relation to the Proposed Renewal of Share Buyback Mandate (“Appendix”)

Date: \_\_\_\_\_

## Notes:

1. For members of the Company who wish to receive a printed copy of the 2021 Annual Report and/or the Appendix, please complete and return this Request Form (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, 2022**.
2. The Company regrets that a Request Form which is incomplete, improperly completed or illegible will not be processed.
3. This Request Form is valid only for the print copy of 2021 Annual Report and the Appendix.
4. By completing and returning this Request Form to the Company, you agree and acknowledge that the Company and/or any service provider of the Company 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

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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 #14-03/07  
Singapore 098632

## PRINCIPAL BANKERS

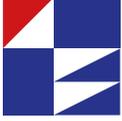
Bank of Shanghai Co., Ltd.  
China CITIC Bank International Limited  
China Merchants Bank Co., Ltd.  
CMB Wing Lung Bank Limited  
DBS Bank Ltd.  
Hang Seng Bank Limited  
Shanghai Pudong Development Bank Co., Ltd  
Standard Chartered Bank Limited  
The Hongkong and Shanghai Banking Corporation Limited

## 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)



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