YIDA CHINA HOLDINGS LIMITED
億達中國控股有限公司
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 3639)

ANNOUNCEMENT OF ANNUAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2020

FINANCIAL HIGHLIGHTS

1. Recognised revenue of 2020 amounted to RMB5,204.22 million, representing a decrease of 14.4% as compared to 2019.

2. Gross profit for the year 2020 amounted to RMB1,244.78 million, representing a decrease of 41.6% as compared to 2019, and the gross profit margin was 23.9% in 2020.

3. Profit for the year of the Company amounted to RMB196.84 million; net profit margin of the Company was 3.8%.

4. Basic earnings per share was RMB7 cents.

5. The Board does not recommend any payment of final dividend for the year ended 31 December 2020.

FINANCIAL INFORMATION

The board (the "**Board**") of directors (the "**Directors**") of Yida China Holdings Limited (the "**Company**") hereby announces the consolidated results of the Company and its subsidiaries (the "**Group**") for the year ended 31 December 2020 together with comparative figures for the corresponding period in 2019.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the year ended 31 December 2020

	Notes	**2020**	2019
		RMB'000	*RMB'000*
Revenue	*4*	**5,204,224**	6,077,400
Cost of sales	*5*	**(3,959,448)**	(3,946,801)
Gross profit		**1,244,776**	2,130,599
Other income		**37,917**	52,733
Gains arising from acquisition of subsidiaries		**454,889**	49,389
Fair value gains on investment properties	*10*	**81,073**	147,396
Net reversal of/(provision for) impairment losses on financial and contract assets		**2,635**	(9,174)
Other gains – net		**81,055**	297,643
Selling and marketing expenses	*5*	**(169,350)**	(208,086)
Administrative expenses	*5*	**(451,296)**	(520,801)
Finance costs – net	*6*	**(832,091)**	(683,098)
Share of profits and losses of joint ventures and associates		**86,876**	50,808
Profit before income tax		**536,484**	1,307,409
Income tax expenses	*7*	**(339,645)**	(669,306)
Profit for the year		**196,839**	638,103
Attributable to:			
Owners of the Company		**172,576**	450,164
Non-controlling interests		**24,263**	187,939
		196,839	638,103
Earnings per share attributable to ordinary equity holders of the Company			
Basic and diluted (RMB per share)	*9*	**0.07**	0.17

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2020

	2020	2019
	RMB'000	*RMB'000*
Profit for the year	**196,839**	638,103
Other comprehensive income for the year	**–**	–
Total comprehensive income for the year	**196,839**	638,103
Attributable to:		
Owners of the Company	**172,576**	450,164
Non-controlling interests	**24,263**	187,939
	196,839	638,103

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2020

	Notes	2020 RMB'000	2019 RMB'000
Non-current assets			
Property, plant and equipment		**114,831**	125,761
Investment properties	*10*	**18,982,717**	19,745,832
Investments in joint ventures		**1,644,408**	1,853,509
Investments in associates		**4,927**	14,174
Prepayments for acquisition of land		**3,036,113**	2,801,290
Prepayments and other receivables		**836,973**	792,413
Intangible assets		**36,727**	32,597
Deferred tax assets		**264,543**	253,446
Total non-current assets		**24,921,239**	25,619,022
Current assets			
Inventories		**20,262**	7,920
Land held for development for sale		**784,753**	768,008
Properties under development		**10,289,518**	6,494,611
Completed properties held for sale		**4,938,899**	4,791,514
Prepayments for acquisition of land		**751,252**	529,529
Contract assets		**93,872**	138,439
Trade receivables	*11*	**590,435**	912,416
Prepayments, deposits and other receivables		**1,118,185**	2,197,831
Prepaid corporate income tax		**117,537**	129,655
Prepaid land appreciation tax		**259,485**	244,995
Financial assets at fair value through profit or loss		**6,260**	–
Restricted cash	*12*	**1,002,551**	1,006,857
Cash and cash equivalents	*12*	**572,237**	1,032,666
Total current assets		**20,545,246**	18,254,441
Total assets		**45,466,485**	43,873,463

	Notes	2020 RMB'000	2019 RMB'000
Non-current liabilities			
Interest-bearing bank and other borrowings	*14*	**3,410,200**	1,146,666
Deferred tax liabilities		**2,935,334**	2,505,589
Lease liabilities		**11,673**	399,255
Other non-current liabilities		**24,598**	2,659
Total non-current liabilities		**6,381,805**	4,054,169
Current liabilities			
Contract liabilities		**5,841,962**	4,733,967
Trade payables	*13*	**3,724,570**	3,378,641
Other payables and accruals		**3,755,401**	2,917,219
Derivative financial instruments		**–**	769,496
Interest-bearing bank and other borrowings	*14*	**11,869,159**	13,869,059
Corporate income tax payable		**624,311**	678,807
Provision for land appreciation tax		**893,613**	875,513
Lease liabilities		**63,882**	61,071
Total current liabilities		**26,772,898**	27,283,773
Total liabilities		**33,154,703**	31,337,942
Equity			
Equity attributable to owners of the Company			
Issued capital		**159,418**	159,418
Reserves		**11,870,156**	11,697,580
		12,029,574	11,856,998
Non-controlling interests		**282,208**	678,523
Total equity		**12,311,782**	12,535,521
Net current liabilities		**(6,227,652)**	(9,029,332)
Total assets less current liabilities		**18,693,587**	16,589,690

1 Corporate and Group Information

Yida China Holdings Limited (the "**Company**") was incorporated in the Cayman Islands on 26 November 2007 as an exempted company with limited liability under the Companies Law, Cap 22 of the Cayman Islands. The registered office address of the Company is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands.

The Company has its primary listing on the Main Board of the Stock Exchange of Hong Kong Limited (the "**Stock Exchange**").

The Company is an investment holding company. During the year ended 31 December 2020, the Company and its subsidiaries (collectively referred to as the "**Group**") were principally involved in property development, property investment, business park operation and management, property construction, decoration and landscaping and property management in Dalian, Wuhan, Shenyang, Beijing, Shanghai, Chongqing, Zhengzhou, Hefei, Xi'an, Suzhou, Hangzhou, Shenzhen, Changsha and Chengdu, the People's Republic of China (the "**PRC**").

In the opinion of the directors of the Company (the "**Directors**"), the holding company of the Company is Jiayou (International) Investment Limited ("**Jiayou**"), which was incorporated in the British Virgin Islands (the "**BVI**"), and the ultimate holding company of the Company is China Minsheng Investment Corp., Ltd. ("**China Minsheng**").

The consolidated financial information is presented in thousands of Renminbi ("**RMB000**"), unless otherwise stated.

2 Summary of Significant Accounting Policies

2.1 Basis of Preparation

(a) Compliance with HKFRs and HKCO

The consolidated financial statements of the Company for the year ended 31 December 2020 which have been prepared in accordance with Hong Kong Financial Reporting Standards ("**HKFRSs**") issued by the Hong Kong Institute of Certified Public Accountants ("**HKICPA**") and the requirements of the Hong Kong Companies Ordinance Cap. 622.

The preparation of financial statements in conformity with HKFRSs requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies.

(b) Historical cost convention

The consolidated financial statements have been prepared on a historical cost basis, except for investment properties and certain financial instruments which have been measured at fair value.

(c) Going concern basis

As at 31 December 2020, the Group's current liabilities exceeded its current assets by RMB6,227,652,000. At the same date, its current borrowings amounted to RMB11,869,159,000 while its cash and cash equivalents amounted to RMB572,237,000 only.

Since 2018, the financial conditions of the Group's controlling shareholder, China Minsheng Investment Corp., Ltd. ("**China Minsheng**") changed in such a way that triggered certain terms specified in the Group's borrowing agreements. This resulted in certain of the Group's borrowings amounted to RMB7,695,711,000 in total as at 31 December 2020 becoming immediately repayable if requested by the lenders, of which RMB5,703,311,000 represented borrowings with scheduled repayment dates within one year, while RMB1,992,400,000 represented non-current borrowings with original maturity dates beyond 31 December 2021 that were reclassified as current liabilities.

On 20 February 2020, the Company publicly announced that Mr. Chen Donghui, an executive director of the Company, was detained by the relevant authorities in the PRC ("**Mr. Chen Detention Matter**"). Mr. Chen was subsequently removed as an executive director of the Company with the effect from 15 June 2020. This event resulted in certain of the Group's borrowings amounted to RMB4,124,247,000 in total as at 31 December 2020, among the above-mentioned borrowings of RMB7,695,711,000, becoming immediately repayable if requested by the lenders.

On 20 April 2020, the Group failed to repay USD52,854,000 of the senior notes due on 20 April 2020 and subsequently repaid in full on 24 April 2020, which constituted an event of default ("**2020 Senior Notes Default**"). This event also resulted in the above-mentioned borrowings of RMB7,695,711,000 as at 31 December 2020 becoming immediately repayable if requested by the lenders.

On 30 October 2020, the Group failed to repay bank loans due to one commercial bank amounted to RMB138,920,000, which constituted an event of default ("**Bank Loans Default**"). This event also resulted in the above-mentioned borrowings of RMB7,695,711,000 as at 31 December 2020 becoming immediately repayable if requested by the lenders. The Group subsequently fully repaid these bank loans in certain tranches until 4 March 2021.

Subsequent to 31 December 2020, the Group failed to pay the final award amount together with interest accruing thereon to the certain joint venture partners for 90 consecutive days following 20 October 2020, when Hong Kong International Arbitration Centre issued a final award in relation to the arbitration over the exercise of certain put options with the certain joint venture partners. This triggered certain terms specified in the senior notes due on 27 March 2022 ("**2022 Senior Notes Default**") on 18 January 2021, and was subsequently waived by the respective holders with effect from 8 March 2021.

Such conditions indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern.

In view of such circumstances, the Directors have given careful consideration to the future liquidity and performance of the Group and its available sources of financing in assessing whether the Group will have sufficient financial sources to continue as a going concern. The following plans and measures are formulated to mitigate the liquidity pressure and to improve the financial position of the Group:

i) Although the lenders has not requested the Group to repay the relevant borrowings immediately, the Group has constantly maintained active communication with relevant banks and financial institutions to explain changes in the financial conditions of China Minsheng, Mr. Chen Detention Matter, 2020 Senior Notes Default, Bank Loans Default and 2022 Senior Notes Default. The Directors are confident to convince the relevant lenders not to exercise their rights to demand the Group's immediate repayment of the borrowings prior to their scheduled contractual repayment dates.

ii) The Group is also actively negotiating with several existing financial institutions on the renewal of and extension for repayments of certain borrowings. Subsequent to 31 December 2020, the Group has also been negotiating with various banks and financial institutions to secure new sources of financing. In this connection, the Group was able to renew, extend or obtain new borrowings of RMB1,549 million, out of which RMB1,299 million borrowings are attributable to agreements that do not contain any restrictions relating to the financial conditions of China Minsheng, Mr. Chen Detention Matter, 2020 Senior Notes Default, Bank Loans Default, and 2022 Senior Notes Default (although the borrowing agreements for the remaining borrowings of RMB250 million contain terms that cause such borrowings to be subject to immediate repayment if requested by the lenders). The Directors believe that, given the Group's long-term relationship with the banks and financial institutions and the availability of the Group's properties as collateral for the borrowings, the Group will be able to renew or extend existing borrowings and obtain new borrowings when necessary.

iii) The Group will continue to implement measures to accelerate the pre-sales and sales of its properties under development and completed properties, and to speed up the collection of outstanding sales proceeds and other receivables.

iv) The Group will continue to take active measures to control administrative costs and maintain containment of capital expenditures.

v) On 4 March 2021, the Group entered into an agreement to dispose its property management business at a consideration of RMB1,273 million. The Group will continue to seek opportunities to dispose its peripheral assets or businesses.

The Directors have reviewed the Group's cash flow projections prepared by management, which cover a period of not less than twelve months from 31 December 2020. They are of the opinion that, taking into account the above-mentioned plans and measures, the Group will have sufficient working capital to finance its operations and to meet its financial obligations as and when they fall due within twelve months from 31 December 2020. Accordingly, the Directors are satisfied that it is appropriate to prepare the consolidated financial statements on a going concern basis.

Notwithstanding the above, significant uncertainties exist as to whether the Group is able to achieve its plans and measures as described above. Whether the Group will be able to continue as a going concern would depend upon the following:

(i) the successful maintenance of a continuing and normal business relationship with the Group's existing lenders such that no action will be taken by the relevant lenders to exercise their contractual rights to demand immediate repayment of the relevant borrowings;

(ii) the successful negotiations with the lenders for renewal of or extension for repayment of outstanding borrowings;

(iii) the successful obtaining of additional new sources of financing as and when needed;

(iv) the successful and timely implementation of the plans to accelerate the pre-sales and sales of properties under development and completed properties, speed up the collection of outstanding sales proceeds and other receivables, and control costs and contain capital expenditure so as to generate adequate net cash inflows; and

(v) the successful disposal of peripheral assets or businesses when needed.

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

(d) New and amended standards adopted by the Group

The Group has applied the following standards and amendments for the first time for their annual reporting period commencing 1 January 2020:

i) Definition of Material – amendments to HKAS 1 and HKAS 8

ii) Definition of a Business – amendments to HKFRS 3

iii) Interest Rate Benchmark Reform – amendments to HKFRS 9, HKAS 39 and HKFRS 7

iv) Revised Conceptual Framework for Financial Reporting

(e) New standards and interpretations not yet adopted

Certain new accounting standards and interpretations have been published that are not mandatory for 31 December 2020 reporting periods and have not been early adopted by the Group. These standards are not expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

3 Operating Segment Information

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

(a) the property development segment engages in the development and sale of properties;

(b) the property investment segment invests in properties for their rental income potential and/or for capital appreciation;

(c) the business park operation and management segment engages in the provision of operation and management services to the business park projects owned by the local governments or other independent third parties;

(d) the construction, decoration and landscaping segment engages in property construction, the provision of interior decoration to property buyers and landscaping services to property projects;

(e) the property management segment engages in the provision of management services to properties; and

(f) the others segment comprises corporate income and expense items.

Management monitors the results of the Group's operating segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on reportable segment profit/loss, which is a measure of adjusted profit/loss before tax. The adjusted profit/loss before tax is measured consistently with the Group's profit before tax except that interest income, dividend income and certain corporate gains and expenses and finance costs are excluded from such measurement.

Segment assets exclude deferred tax assets, prepaid corporate income tax, prepaid land appreciation tax, prepaid other taxes, amounts due from related parties, financial assets at fair value through profit or loss, restricted cash and cash and cash equivalents as these assets are managed on a group basis.

Segment liabilities exclude derivative financial liabilities, interest-bearing bank and other borrowings and related interests payable, amounts due to related parties, dividends payable, tax payable, provision for land appreciation tax, other taxes payable and deferred tax liabilities as these liabilities are managed on a group basis.

Intersegment sales and transfers are transacted with reference to the selling prices used for sales made to third parties at the then prevailing market prices.

For the year ended 31 December 2020, no single external customer's transaction generated revenue accounting for 10% or more of the Group's total revenue.

Year ended 31 December 2020

	Property development *RMB'000*	Property investment *RMB'000*	Business park operation and management *RMB'000*	Construction, decoration and landscaping *RMB'000*	Property management *RMB'000*	Others *RMB'000*	Total *RMB'000*
Segment revenue:	3,651,103	545,015	199,511	1,137,314	719,695	–	6,252,638
Intersegment revenue	(96,189)	(7,509)	(136,441)	(718,667)	(89,608)	–	(1,048,414)
Sales to external customers	3,554,914	537,506	63,070	418,647	630,087	–	5,204,224
Segment results	528,511	496,253	(73,404)	505	77,137	44,771	1,073,773
Reconciliation:							
Interest income							11,518
Dividend income and unallocated gains							454,889
Corporate and other unallocated expenses							(171,605)
Finance costs							(832,091)
Profit before income tax							536,484
Income tax expenses							(339,645)
Profit for the year							196,839
Segment assets	61,921,674	25,443,508	311,633	7,686,769	468,287	13,377,054	109,208,925
Reconciliation:							
Elimination of intersegment receivables							(66,085,641)
Corporate and other unallocated assets							2,343,201
Total assets							45,466,485
Segment liabilities	45,428,975	9,300,511	362,354	7,505,080	391,584	15,923,688	78,912,192
Reconciliation:							
Elimination of intersegment payables							(66,085,641)
Corporate and other unallocated liabilities							20,328,152
Total liabilities							33,154,703
Other segment information:							
Depreciation and amortisation	16,935	9,989	17,864	9,137	6,135	3,176	63,236
Capital expenditure*	16,160	100,908	7,501	23,730	18,365	109	166,773
Fair value gains on investment properties	–	81,073	–	–	–	–	81,073
Share of profits and losses of joint ventures and associates	786	82,131	4,117	9	3	(170)	86,876
Investments in joint ventures	667,077	943,537	13,395	–	834	19,565	1,644,408
Investments in associates	–	1,000	–	–	43	3,884	4,927

* Capital expenditure consists of additions to property, plant and equipment, additions to investment properties and additions to intangible assets.

Year ended 31 December 2019

	Property development *RMB'000*	Property investment *RMB'000*	Business park operation and management *RMB'000*	Construction, decoration and landscaping *RMB'000*	Property management *RMB'000*	Others *RMB'000*	Total *RMB'000*
Segment revenue:	4,519,947	558,556	201,291	898,006	711,114	–	6,888,914
Intersegment revenue	(56,427)	(3,934)	(159,142)	(513,683)	(78,328)	–	(811,514)
Sales to external customers	4,463,520	554,622	42,149	384,323	632,786	–	6,077,400
Segment results	1,494,207	507,719	(41,038)	14,875	58,684	(109,411)	1,925,036
Reconciliation:							
Interest income							38,870
Dividend income and unallocated gains							49,389
Corporate and other unallocated expenses							(22,788)
Finance costs							(683,098)
Profit before income tax							1,307,409
Income tax expenses							(669,306)
Profit for the year							638,103
Segment assets	51,252,861	27,457,182	211,113	3,502,466	557,929	15,513,527	98,495,078
Reconciliation:							
Elimination of intersegment receivables							(57,638,757)
Corporate and other unallocated assets							3,017,142
Total assets							43,873,463
Segment liabilities	39,014,149	9,708,852	162,149	3,151,502	483,153	15,737,400	68,257,205
Reconciliation:							
Elimination of intersegment payables							(57,638,757)
Corporate and other unallocated liabilities							20,719,494
Total liabilities							31,337,942
Other segment information:							
Depreciation and amortisation	17,293	6,627	10,537	8,038	5,422	2,379	50,296
Capital expenditure*	139,882	187,860	42,705	5,319	13,343	9,044	398,153
Fair value gains on investment properties	–	147,396	–	–	–	–	147,396
Share of profits and losses of joint ventures and associates	48,799	12,893	2,492	(13,110)	107	(373)	50,808
Investments in joint ventures	990,777	825,409	10,802	2,643	4,142	19,736	1,853,509
Investments in associates	–	–	10,000	–	290	3,884	14,174

* Capital expenditure consists of additions to property, plant and equipment, additions to investment properties and additions to intangible assets.

Geographical information

Geographical information is not presented since all of the Group's revenue from external customers is generated in Mainland China and the majority of the segment assets of the Group are located in Mainland China. Accordingly, in the opinion of the Directors, the presentation of geographical information would provide no additional useful information to the users of these financial statements.

4 Revenue

Revenue represents the gross proceeds from the sale of properties, gross rental income received and receivable from investment properties, property management income received and receivable, an appropriate proportion of contract revenue from construction, decoration and landscaping, and business park operation and management service income received and receivable from the provision of operation and management services to the business park projects, all net of value-added tax and surcharges, during the year.

An analysis of the Group's revenue is as follows:

	2020	2019
	RMB'000	*RMB'000*
Revenue from contracts with customers recognised at a point in time		
Sale of properties	**3,554,914**	4,463,520
Revenue from contracts with customers recognised over time		
Business park operation and management service income	**63,070**	42,149
Construction, decoration and landscaping income	**418,647**	384,323
Property management income	**630,087**	632,786
	1,111,804	1,059,258
Revenue from contracts with customers	**4,666,718**	5,522,778
Revenue from other sources		
Rental income	**537,506**	554,622
	5,204,224	6,077,400

5 Expenses by Nature

Expenses included in cost of sales, selling and marketing expenses and administrative expenses are analyzed as follows:

	2020	2019
	RMB'000	*RMB'000*
Cost of properties sold	**2,788,391**	2,829,106
Cost of services provided	**945,551**	875,259
Impairment of properties under development and completed properties held for sale	**22,623**	74,686
Direct operating expenses (including repairs and maintenance) arising on rental-earning investment properties	**202,883**	167,750
Employee benefit expenses	**272,754**	338,482
Office lease expenses	**17,946**	11,595
Depreciation	**51,241**	37,387
Amortisation of intangible assets	**11,995**	12,909
Auditor's remuneration		
– Audit services	**5,080**	5,180
– Non-audit services	**2,315**	1,000
Other costs and expenses	**259,315**	322,334
Total cost of sales, selling and marketing expenses and administrative expenses	**4,580,094**	4,675,688

6 Finance Costs – net

An analysis of finance income and costs is as follows:

	2020	2019
	RMB'000	*RMB'000*
Finance costs		
Interest on bank loans and other loans	**1,662,700**	1,475,544
Interest on lease liabilities	**27,240**	34,330
Less: Interest capitalised	**(800,120)**	(768,530)
	889,820	741,344
Interest income	**(57,729)**	(58,246)
Finance costs – net	**832,091**	683,098

7 Income Tax Expenses

No provision for Hong Kong profits tax has been made as the Group did not generate any assessable profits arising in Hong Kong during the year (2019: Nil). The income tax for the subsidiaries operating in Mainland China is calculated at the applicable tax rates on their taxable profits for the year.

An analysis of the income tax charges for the year is as follows:

	2020	2019
	RMB'000	*RMB'000*
Current tax – PRC		
Corporate income tax charge for the year	**99,487**	339,223
Land appreciation tax charge for the year ("LAT")	**198,566**	442,965
	298,053	782,188
Deferred income tax:		
Current year	**41,592**	(112,882)
Total tax charge for the year	**339,645**	669,306

8 Dividend

	2020	2019
	RMB'000	*RMB'000*
Proposed no final dividend (2019: Nil) per ordinary share	**–**	–

In addition, no interim dividend has been declared during the year (2019: Nil).

9 Earnings Per Share Attributable to Ordinary Equity Holders of the Company

The calculation of the basic earnings per share is based on the consolidated profit for the year attributable to the ordinary equity holders of the Company of RMB172,576,000 (2019: RMB450,164,000), and the weighted average number of ordinary shares of 2,583,970,000 (2019: 2,583,970,000) in issue during the year.

Diluted earnings per share is same as basic earnings per share for the years ended 31 December 2020 and 2019 as the Group had no potentially dilutive ordinary shares in issue during those years.

10 Investment Properties

	Right-of-use Assets *RMB'000*	Completed *RMB'000*	Under construction *RMB'000*	Total *RMB'000*
Carrying amount at 1 January 2019 (Restated)	438,347	12,394,650	6,209,416	19,042,413
Transfer from completed properties for sale	–	263,096	–	263,096
Additions	–	88,849	241,745	330,594
Disposals	–	–	(37,667)	(37,667)
Completion of under construction	–	199,411	(199,411)	–
Net gains from fair value adjustments	58,653	31,344	57,399	147,396
Carrying amount at 31 December 2019 and 1 January 2020	**497,000**	**12,977,350**	**6,271,482**	**19,745,832**
Additions	**–**	**(9,521)**	**105,033**	**95,512**
Transfer to properties under development	**–**	**(38,700)**	**–**	**(38,700)**
Derecognition of right-of-use assets	**(450,000)**	**–**	**–**	**(450,000)**
Loss of control over subsidiaries	**–**	**(451,000)**	**–**	**(451,000)**
Completion of under construction	**–**	**744,000**	**(744,000)**	**–**
Net gains/(losses) from fair value adjustments	**(2,000)**	**24,371**	**58,702**	**81,073**
Carrying amount at 31 December 2020	**45,000**	**13,246,500**	**5,691,217**	**18,982,717**

At 31 December 2020, certain of the Group's investment properties of RMB15,983,217,000 (2019: RMB14,547,558,000) were pledged to banks to secure the loans granted to the Group.

The Group's completed investment properties are leased to third parties under operating leases.

The Group's completed investment properties and investment properties under construction, which were stated at fair value, were revalued at the end of the reporting period by DTZ Cushman & Wakefield Limited, independent professionally qualified valuers.

For completed investment properties, valuations were based on the capitalisation of net rental income derived from the existing tenancies with due allowance for the reversionary income potential of the properties.

For investment properties under construction which were stated at fair value at 31 December 2020 and 2019, valuations were based on the residual and market approach and have taken into account the expended construction costs and the costs that will be expended to complete the development to reflect the quality of the completed development on the basis that the properties will be developed and completed in accordance with the Group's latest development plan.

In the opinion of the Directors, for all investment properties that are measured at fair value, the current use of the properties is their highest and best use. Included in the Group's investment properties are certain completed investment properties measured at fair value in the aggregate carrying amount of RMB1,524,000,000 as at 31 December 2020 (2019: RMB1,531,000,000), which are subject to restrictions on sale and transfer, but may be leased to tenants that are engaged in software research and development and outsourcing services.

11 Trade Receivables

	2020	2019
	RMB'000	*RMB'000*
Trade receivables – gross amount	**631,949**	964,562
Less: Allowances for impairment of trade receivables	**(41,514)**	(52,146)
	590,435	912,416

Trade receivables are mainly arisen from sales of properties, leases of investment properties and other services businesses. The payment terms of receivables are stipulated in the relevant contracts. Trade receivables are non-interest-bearing.

An aging analysis of the gross trade receivables as at the end of the reporting period, based on the invoice date and before net provision, is as follows:

	2020	2019
	RMB'000	*RMB'000*
Within 1 year	**408,604**	717,970
1 to 2 years	**109,620**	157,412
Over 2 years	**113,725**	89,180
	631,949	964,562

The Group applies the simplified approach to provide for expected credit losses prescribed by HKFRS 9. As at 31 December 2020, a provision of RMB41,514,000 (31 December 2019: RMB52,146,000) was made against the gross amount of trade receivables.

As at 31 December 2020, included in the Group's trade receivables are amounts due from the Group's joint ventures of RMB22,750,000 (2019: RMB181,579,000), which are all repayable on credit terms similar to those offered to the major customers of the Group.

12 Cash and Cash Equivalents and Restricted Cash

	2020	2019
	RMB'000	*RMB'000*
Cash and bank balances	**1,574,788**	2,039,523
Less: Restricted cash	**(1,002,551)**	(1,006,857)
Cash and cash equivalents	**572,237**	1,032,666

Cash at banks earns interest at floating rates based on daily bank deposit rates.

At the end of the reporting period, the cash and bank balances of the Group denominated in RMB amounted to RMB1,564,030,000 (2019: RMB1,999,742,000).

13 Trade Payables

An aging analysis of the trade payables as at the end of the reporting period, based on the invoice date, is as follows:

	2020	2019
	RMB'000	*RMB'000*
Within 1 year	**2,374,200**	2,038,170
Within 1 to 2 years	**1,350,370**	1,340,471
	3,724,570	3,378,641

The trade payables are non-interest-bearing and unsecured.

14 Interest-Bearing Bank and Other Borrowings

	2020		2019	
	Effective interest rate (%)	***RMB'000***	Effective interest rate (%)	*RMB'000*
Current				
Bank loans – secured	**4.30-9.50**	**5,492,626**	4.35-9.50	6,875,981
Bank loans – unsecured	**4.25**	**3,000**	–	–
Other loans – secured	**5.70-15.00**	**3,784,197**	5.70-15.00	4,705,286
Other loans – unsecured	**1.20-15.00**	**2,589,336**	1.20-15.00	2,287,792
		11,869,159		13,869,059
Non-current				
Bank loans – secured	**4.55**	**374,000**	6.00	362,880
Other loans – secured	**11.00-13.00**	**3,036,200**	10.00	112,360
Other loans – unsecured		**–**	10.00	671,426
		3,410,200		1,146,666
		15,279,359		15,015,725

	2020	2019
	RMB'000	*RMB'000*
Analysed into:		
Bank loans repayable:		
Within one year or on demand	**5,495,626**	6,875,981
In the second year	**40,000**	362,880
In the third to fifth years, inclusive	**334,000**	–
	5,869,626	7,238,861
Other loans repayable:		
Within one year or on demand	**6,373,533**	6,993,078
In the second year	**735,200**	783,786
In the third to fifth years, inclusive	**2,301,000**	–
	9,409,733	7,776,864
	15,279,359	15,015,725

As at 31 December 2020, included in bank loans of the Group is an amount of RMB2,462,827,000 (2019: RMB2,151,000,000) containing an on-demand clause, which has been classified as current liabilities. For the purpose of the table above, the loan is included within current interest-bearing bank and other borrowings and analysed into bank loans repayable within one year or on demand.

The current bank borrowings included borrowings with principal amounts of RMB1,992,400,000 (2019: RMB3,134,611,000) with original maturity beyond 31 December 2021 which have been reclassified as current liabilities as at 31 December 2020 as a result of the matters described in note 2.1(c).

(a) As at 31 December 2020, included in other loans of the Group were the first tranche and the second tranche of corporate bonds with the principal amounts of RMB800,000,000 and RMB625,024,000 respectively (31 December 2019: RMB801,748,000 and RMB625,024,000 respectively). The first tranche and the second tranche were issued by Yida Development Company Limited ("**Yida Development**"), an indirectly wholly-owned subsidiary of the Company, on 24 September 2015 and 8 March 2016, respectively.

    In September 2020, the remaining principal amount of the first tranche amounted to RMB800,000,000 was extended to 25 September 2021, bearing interest at a rate of 15% per annum.

    As at 31 December 2020, the maturity date of the remaining principal amount of the second tranche amounted to RMB625,024,000 was 9 March 2021, bearing interest at a rate of 10% per annum. Subsequent till March 2021, the principal amount of RMB801,000 has been repaid, while the remaining principal amount of RMB624,223,000 has been extended by respective bond holders for certain periods within six months.

(b) As at 31 December 2020, included in other loans of the Group were senior notes with principal amounts of USD224,899,000 (approximately RMB1,467,443,000) issued in April 2017 (31 December 2019: USD300,000,000, approximately RMB2,092,860,000) and due on 20 April 2020 ("**2020 Senior Notes**"). The carrying amount of 2020 Senior Notes were RMB1,519,260,000 (2019: RMB2,112,149,000), unsecured and bore interest at a rate of 6.95% per annum. The original maturity date was 19 April 2020.

    On 27 March 2020, the exchange offer and consent solicitation for the 2020 Senior Notes was completed. USD247,146,000 of 2020 Senior Notes were validly tendered for exchange and accepted pursuant to the exchange offer and consent solicitation, the consideration of which settled on the same day was comprised of the issuance of USD224,899,000 of the new senior notes due on 27 March 2022 ("**2022 Senior Notes**"), USD22,243,140 as cash consideration, USD7,538,639.68 as accrued interests and USD3,860 in lieu of any fractional amount of 2022 Senior Notes. 2022 Senior Notes will mature on 27 March 2022, while the Company shall, at the option of any 2022 Senior Notes holders, repurchases the outstanding 2022 Senior Notes in March 2021.

    The remaining principal amount of 2020 Senior Notes of USD52,854,000 was repaid by the Group on 24 April 2020. The amount shall be due on 19 April 2020, and, as 19 April 2020 was a Sunday, such amount shall be paid on 20 April 2020, the next immediate business day.

    As at 31 December 2020, included in other loans of the Group, the carrying amount of the 2022 Senior Notes was RMB1,519,260,000. Subsequently, the Company's obligation to repurchase the outstanding 2022 Senior Notes upon above-mentioned holders' option was waived by the respective holders with effect from 8 March 2021, and the maturity date continues to be 27 March 2022.

    Both of 2020 Senior Notes and 2022 Senior Notes of the Company are guaranteed by certain subsidiaries of the Group.

(c) Certain of the Group's bank and other loans are secured or guaranteed by:

(i) mortgages over the Group's properties under development with an aggregate carrying value at 31 December 2020 of approximately RMB7,036,764,000 (2019: RMB3,490,862,000);

(ii) pledges of the Group's investment properties with an aggregate carrying value at 31 December 2020 of approximately RMB15,983,217,000 (2019: RMB14,547,558,000);

(iii) pledges of the Group's land held for development for sale with an aggregate carrying value at 31 December 2020 of approximately RMB640,541,000 (2019: RMB464,607,000);

(iv) pledges of the Group's completed properties held for sale with an aggregate carrying value at 31 December 2020 of approximately RMB3,335,863,000 (2019: RMB2,626,371,000);

(v) pledge of a building of the Group with a carrying value at 31 December 2020 of approximately RMB35,955,000 (2019: nil);

(vi) corporate guarantees executed by certain subsidiaries of the Group to the extent of RMB10,414,238,000 (2019: RMB8,794,814,000) as at 31 December 2020;

(vii) pledges of certain equity interests of the subsidiaries of the Company;

(viii) pledges of certain of the Group's time deposits with an aggregate carrying value at 31 December 2020 of approximately RMB316,400,000(2019: RMB695,000,000); and

(ix) pledges of certain of the Group's guarantee deposits with an aggregate carrying value at 31 December 2019 of approximately RMB52,100,000 which was released in May 2020.

(d) Other than certain other loans with a carrying amount of RMB1,519,260,000 (2019: RMB2,112,149,000) denominated in USD as at 31 December 2020 and RMB523,079,000 (2019: RMB496,349,000) denominated in HKD as at 31 December 2020, all bank and other loans of the Group are denominated in RMB as at 31 December 2020 and 2019.

(e) As at 31 December 2020, included in other loans of the Group were loans from a related party (Shanghai Jiayu Medical Investment Management Co., Ltd.) controlled by the same ultimate holding company with principal amounts of RMB609,719,000 (31 December 2019: RMB58,500,000), among which RMB377,657,000 were unsecured, borne interest at 15% per annum and were repayable within one year, while the remaining RMB232,062,000 were secured, borne interest at 8% per annum and were repayable within one year.

EXTRACT OF INDEPENDENT AUDITOR'S REPORT

The following is the extract of the independent auditor's report from the external auditor of the Company:

Opinion

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2020, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

Material Uncertainty Related to Going Concern

We draw attention to note 2.1(c) to the consolidated financial statements, which states that as at 31 December 2020, the Group's current liabilities exceeded its current assets by RMB6,227,652,000. At the same date, its current borrowings amounted to RMB11,869,159,000 while its cash and cash equivalents amounted to RMB572,237,000 only. Since 2018, the financial conditions of the Group's controlling shareholder, China Minsheng Investment Corp., Ltd. changed in such a way that triggered certain terms specified in the Group's borrowing agreements. During the year ended 31 December 2020, the detention of a then executive director of the Company by the authorities in the People's Republic of China, several delays in repayment of senior notes and bank loans also triggered certain terms specified in the Group's borrowing agreements. The above events resulted in certain of the Group's borrowings amounted to RMB7,695,711,000 in total as at 31 December 2020 becoming immediately repayable if requested by the lenders. Such conditions, along with other matters as set forth in note 2.1(c) to the consolidated financial statements, indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

CHAIRMAN'S STATEMENT

Dear shareholders,

I am pleased to present you the annual results of the Group for the year ended 31 December 2020 (the "**Year**").

Results

During the Year, the Group recorded revenue of RMB5,204 million, of which sales income from residential properties within business parks, office properties and standalone residential properties was RMB3,555 million. Rental income from business parks was RMB538 million; business park operation and management income was RMB63.07 million; construction, decoration and landscaping income was RMB419 million; and property management income was RMB630 million. Gross profit decreased by 41.6% to RMB1,245 million compared to the corresponding period of the previous year, with a gross profit margin of 23.9%. Net profit attributable to equity owners was RMB173 million.

Review of 2020

In 2020, amid the global COVID-19 pandemic, China's economy showed great resilience and its recovery exceeded expectations. In the face of considerable downward pressure on the economy at the beginning of the year, property market regulatory policies remained unchanged, adhering to "housing is for living in, not for speculation". At the same time, in pursuing economic growth, China will continue to prioritize the development of the real economy, upgrade the industrial base, modernize industrial chains, transform and upgrade traditional industries, and strengthen strategic emerging industries.

Despite facing multiple uncertainties, the Group remains committed to the direction of "strengthening the core competitiveness of business park operation", the implementation of the strategy of "developing asset-light and asset-heavy businesses simultaneously, leading the development of asset-light business to actuate asset-heavy business, supporting asset-light business with asset-heavy business", and refined the development model of "city-industry integration". The Group also adjusted its product structure, accelerated the destocking, and overcame a variety of challenges to ensure the sustainable and steady execution of all its business lines.

I. Concentrating on city-industry projects, exploring multiple cooperation models, in order to improve operational efficiency

The Group continued to emphasise the development of its business under the "city-industry integration" model. By establishing professional partnerships with multiple financial institutions and maintaining cooperation in project expansion, industry resource sharing, and the establishment of investment and financing platforms, the Group achieved complementary advantages, risk sharing, and benefit sharing. During the Year, the Group's city-industry integration projects gradually advanced, acquiring JV projects totalling approximately 280,000 sq.m. in Changsha and Shenyang. The Group is also seeking new project resources and partners in Chengdu, Chongqing, Xinxiang and other regions.

II. Facilitating the resumption of work and production, fulfilling social responsibilities, in order to effectively counter the pandemic

During the Year, the Group quickly responded to the outbreak of COVID-19 by protecting enterprises within business parks and the well-being of residential property owners. Its protective measures extended over 4,164 enterprises in the parks, 74 residentials projects, covering more than 320,000 people. Following government directives and support, the Group fulfilled its social responsibilities in Wuhan, which was highly affected, and in Dalian, which suffered from multiple recurrance of the virus, winning praise for the professional services and extensive caring. Each business park was able to gradually and safely resume work and production, and lives have fully returned to normal.

Wuhan First City was in the first group of zero-epidemic business parks in Wuhan to resume work, and was awarded the title of "Pioneering Group of the Battle against the Epidemic" of the Wuhan Donghu High-tech Zone. In 2020, Wuhan First City achieved the introduction of 13 digital economy and intelligent health industry enterprises, commenced the construction of "Industry Phase 5.1" and was named as one of the "Top 10 Iconic Projects of China's Industry New City in 2020".

III. Establishing a solid a foundation for development, driving digital transformation and upgrade, in order to enable high-quality development of business parks

During the Year, "Huiyun, Zhiyun, Xiangyun and Xingyun" (慧雲、智雲、享雲、星雲), the Group's four major intelligent park management product systems, enabled the Group to research and develop online platforms of park management and to establish and deliver offline operation service systems to our customers. Using Zhengzhou Creation City as a pilot zone, the Group accelerated its exploration of integrated operation and maintenance service systems for intelligent business parks, adopted innovative technologies to guide industry planning, engineering, construction, asset operation and implementation, and realised various functions, including equipment and facility management and control, park operational services scheduling, and park exhibition hall smart display. The Group explored all-scenario applications for intelligent business parks which integrate consulting, design, construction, industry agglomeration and platformization. The Group effectively controlled the cost input on the property and equipment management segments of business parks, improved service efficiency and shortened the response time. By the end of the Year, a total of 27 projects with an area of over five million sq.m. were launched online, and thousands of corporate clients were introduced to the business parks, with more than 12,000 in reserve.

OUTLOOK FOR 2021

The state will continue to vigorously build new infrastructure, create new foundations for industry development, attract industries and talent, drive industry upgrading, and bring new momentum to high-quality economic development. The Group will closely focus on the country's new industry development goals and assist regional economic development by adhering to the corporate operational principles of "market-oriented and customer-centric". All Yida employees will continue to work hard to overcome difficulties and ensure the stable operation of the enterprise.

I. Refining asset-light business and strengthening the industry value chain

In the future, the Group will consolidate its core competitiveness of business park operations, concentrate on the eight major industry directions, and seek strategic cooperation with leading companies to broaden the industrial dimension. Relying on over two decades of experience in serving corporate clients, the Group's business park management and operation business has been fully established in economically active regions such as the Beijing-Tianjin-Hebei, Yangtze River Delta, the Greater Bay Area, as well as midwestern China. It will integrate high-quality resources, accumulate corporate clients, cultivate tenant recruitment teams, and lay further foundations for the steady step into the strategic cities.

II. Optimising asset structure and managing financial risks

While ensuring the stable development of the principal businesses, the Group will work to revitalize other businesses and existing assets, speed up the cash inflows, control financial risks, and ensure short-term liquidity as well as invest in more efficient businesses to improve asset utilisation, maintain a stable loan balance, control cost of capitals, and seek new financing.

III. Introducing strategic business partners and implementing diversified cooperation

The Group will continue the introduction of strategic partners, strengthen cooperative opportunities with shareholders and partners, release partners' advantages in capital and resources, and overcome financing difficulties. The Group will strengthen its presence in strategic regions, explore and implement the "fund + foundation" tenant recruitment model, establish investment funds with local government platforms. The Company will be able to realize profits from joint venture projects and achieve lightweight operation.

On behalf of the Board, I would like to express our heartfelt gratitude to all shareholders, investors, business partners and customers for their support for the Group, and to the management and employees for their tireless efforts and contributions.

Yida China Holdings Limited
Jiang Xiuwen
Chairman and Chief Executive Officer

Hong Kong, 31 March 2021

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

I. Operation of Business Parks Owned by the Group

During the Year, the Group wholly owned four business parks, including Dalian Software Park, Dalian BEST City, Dalian Tiandi and Yida Information Software Park, and it also owned a 50% stake in Wuhan First City and Dalian Ascendas IT Park. The total completed gross floor area of the above business parks was approximately 2.012 million sq.m., with a leasable area of approximately 1.945 million sq.m. During the Year, the Group recorded a rental income of approximately RMB538 million, representing a 3.1% decrease over the previous year, mainly due to the decrease in occupancy rate due to COVID-19 during the Year.

An overview of business parks owned by the Group:

(Unit: '000 sq.m.)

			Leasable Area				
Business Parks	**Interest Held by the Group**	**Total Completed Floor Area**	**Office Buildings**	**Apartments**	**Shops**	**Parking Spaces**	**Occupancy Rate at the End of the Year**
Dalian Software Park	100%	637	391	181	33	42	91%
Dalian BEST City	100%	147	99	–	7	41	73%
Yida Information Software Park	100%	156	131	–	4	20	65%
Dalian Tiandi	100%	451	329	37	41	44	79%
Wuhan First City	50%	272	109	40	22	101	37%
Dalian Ascendas IT Park	50%	349	206	–	3	64	85%
Total		**2,012**		**1,945**			

Note:

1. The financial statement of Dalian Ascendas IT Park is not consolidated, therefore the rental income of the Group excludes the rental income from such park.

The Group continued to deepen the implementation of the infrastructure concept of "Digital Intelligent Parks". By collecting professional data in real time for analysis and monitoring, the Group realized intelligentization of park management and provided an effective basis for future industrial and urban development. At the same time, the Group utilized its advantages of enterprise and technology agglomeration to build a digital technology innovation highland and a digital economy integration application highland, as well as to create a favorable innovation ecology and atmosphere. By connecting both the industrial chain upstream and downstream, and stimulating the collaboration and inter-industry integration, the Group made positive contributions to the revitalization and take-off of the regional digital economy.

During the Year, a number of new economy enterprises settled in the business parks of the Group. Enterprises including ThunderSoft (a leading intelligent products and technologies provider), Orion (a French engineering technology consulting service company), China Tower (a large state-owned telecommunications infrastructure and 5G base station service company) settled in Dalian Tiandi; while Dalian Dinghong Technology Co., Ltd., a one-stop equipment supplier in industrial transmission field, settled in Dalian BEST City.

In July, Panasonic Software Development Centre Dalian Co., Ltd. relocated for expansion. The new office premises is located in Zone B of Dalian Information Software Park, a brand new business office area integrating office, residence, service and leisure. Equipped with comprehensive office facilities, Dalian Information Software Park provides tenants with ample space of professional and comfortable platform support. Since settling in the Group's Dalian Software Park in 2004, Panasonic has continually been expanding its business coverage from focusing on software outsourcing at that time, to the provision of one-stop software solutions for all business segments of the Panasonic Group now.

II. Sales of Properties

During the Year, the Group achieved contracted sales of RMB5,601 million, and the contracted sales area was 528.1 thousand sq.m.. The average contracted sales price was RMB10,607 per sq.m., mainly due to delay in commencement and shortened sales period as a result of the sustained epidemic outbreak during the Year. The majority of projects sold were located in Dalian (59.5% of total contracted sales) and Changsha (21.0% of total contracted sales) of which residential property sales accounted for 73.9% of total contracted sales.

During the Year, the property sales segment recorded revenue of RMB3,555 million, representing a year-on-year decrease of 20.4%, which was mainly due to decrease in delivered projects as the impact of COVID-19 during the Year. The average sales price was RMB9,351 per sq.m., representing a year-on-year decrease of 18.8%, which was mainly attributable to different products recognised during the Year and the decrease in corresponding average price of each product recognised as compared to the same period last year. Projects recognised during the Year were mainly residential properties. Revenue-contributing projects were mainly located in Dalian (62.1% of revenue), Changsha (30.4% of revenue) and Wuhan (7.1% of revenue).

The Group firmly upheld the development strategy of "city-industry integration" and strove to build landmark projects in key regions such as Dalian, Changsha and Zhengzhou. Leveraging on its business park development advantages, the Group spurred the rapid improvement of amenity facilities in the city, attracted a large number of talents and contributed to regional transformation and upgrading. During the Year, the development of Changsha Yida & CSCEC Intelligent Technology Centre, Changsha Yida Intelligent Manufacturing Industrial Village, Zhengzhou Yida Creation City and other projects steadily advanced, and office buildings and residences achieved good sales performance.

Sales performance and analysis of each city are as follows:

Dalian

In 2020, the real estate market in Dalian was repeatedly affected by the epidemic. Online marketing was mainly adopted during the first half of the year, and transaction volume improved in the second half of the year. For the whole year, price was up yet volume declined, average sales price has increased further, supply and demand more or less achieved equilibrium while were basically stable. Keeping "steady" was still the main tone of the real estate market in Dalian, which aimed at maintaining market stability and to comprehensively implement policies such as residence settlement and talent attraction. The new policies for residence settlement since May have further lowered the rigid demand threshold and attracted new residents' demand for home ownership from Northeast and Northern China.

Affected by the three rounds of epidemic outbreak, even though the government responded in a timely manner and restored normal social order within a short period of time, new supply suspended intermittently and the pace of construction and marketing of projects by real estate enterprises were severely disrupted, resulting in a strong "wait-and-see" sentiment for certain rigid demand and customers seeking for upgrade, and the demand for home ownership was significantly suppressed, and such demand is expected to be fully released in the next two years. During the Year, the Group completed the acquisition of the equity of Dalian Qingyun Sky, and together with key projects such as Dalian Tiandi Hekou Bay, which were offered to meet the demand for housing purchases suppressed by the epidemic, and provided stable performance support for the Group.

Changsha

Affected by the epidemic at the beginning 2020, Changsha implemented favorable policies on talents and housing to accelerate economic recovery. As the market slowly resumed, the policy environment was gradually tightening, and Changsha continued to adhere to the keynote message of "housing is for living in, not for speculation" and city-specific measures, the overall environment was stable yet slightly tight. During the Year, the aggregate transaction volume of residential properties in Changsha amounted to 11.58 million sq.m., representing a year-on-year increase of 12.1%. The average price was RMB11,502 per sq.m., showing a steady upward trend in general. The proportions of first-time buyers, middle-aged and youngsters buying houses were relatively high, and rigid demand has become the main force in the market. Changsha will focus on creating an "industrial highland" and a "talent highland", strengthen the real economy, vigorously support the development of new manufacturing industries, and attract high-tech talents.

Changsha Yida Intelligent Manufacturing Industrial Village of the Group located in Wangcheng District enjoys externalities of Wangcheng Economic Development Zone and Xiangjiang New District, and creates the first "livable, business-friendly, and tourists-welcoming" intelligent village by fully utilizing its location advantages and enjoying favorable policies and mature supporting facilities. It is expected that after the completion of construction of High Speed Rail West City, the value of the regional sector will increase significantly.

Yida & CSCEC Intelligent Technology Centre is located in the core area of Phase II, Meixihu International New City. With the new "5O" business office system, it is planned to build products such as courtyard-style single-tower corporate headquarters, low-density multi-storey offices, mid- and high-rise intelligent business office buildings, commercial blocks , as well as elite business apartments, while establishing a leading domestic smart industry cluster covering three major functional areas: intelligent health zone, research and development headquarters zone, and financial business zone by combining with a full intelligent and healthy industry chain, green and low-carbon all-rounded ecosystem, and diversified full life cycle service system.

Zhengzhou

In April 2020, the Zhengzhou Municipal Government issued the "Implementation Plan for Zhengzhou City's High-Quality Stimulation of Urban Construction in 2020", proposing that Zhengzhou City would revolve around the urban development pattern of "strong East, dynamic South, breathtaking West, tranquil North, excellent Centre, and outreaching" to persist in the implementation of the project-driven development strategy. Currently, Zhengzhou has formed seven leading industries represented by electronic information, new materials, biomedicine, food manufacturing, household and brand apparel manufacturing, automobile equipment manufacturing, as well as aluminum and aluminum deep processing. Zhengzhou Creation City of the Group will emphasize on the industrial development strategy of the High-tech Zone and build an innovative and smart industrial cluster of approximately 700,000 sq.m. in the core area of the high-tech zone. During the Year, Zhengzhou Creation City was rated as the "Most Dynamic Science and Technology Park in Software Service Industry of Henan Province in 2020".

Contracted Sales Details

City	**Contracted Sales Floor Area**	**Contracted Sales Amount**	**Average Sales Price**	**Percentage of Total Contracted Sales**
	(sq.m.)	*(RMB ten thousand)*	*(RMB/sq.m.)*	
Dalian	216,186	333,606	15,431	59.5%
Changsha	166,333	117,589	7,070	21.0%
Wuhan	83,695	58,038	6,934	10.3%
Zhengzhou	39,675	34,629	8,728	6.2%
Chongqing	20,192	15,716	7,783	2.8%
Shenyang	384	365	9,505	0.1%
Chengdu	1,611	199	1,235	0.1%
Total	**528,076**	**560,142**	**10,607**	**100.0%**

Business Park	Contracted Sales Floor Area	Contracted Sales Amount	Average Sales Price	Percentage of Total Contracted Sales
	(sq.m.)	*(RMB ten thousand)*	*(RMB/sq.m.)*	
Dalian Software Park	6,116	6,142	10,043	1.1%
Dalian BEST City	7,895	6,078	7,699	1.1%
Yida Information Software Park	36,963	36,533	9,884	6.5%
Dalian Tiandi	64,837	101,997	15,731	18.2%
Wuhan First City	83,695	58,038	6,934	10.3%
Changsha Yida & CSCEC Intelligent Technology Centre	15,091	16,203	10,737	2.9%
Changsha Yida Intelligent Manufacturing Industrial Village	151,242	101,386	6,704	18.1%
Zhengzhou Yida Creation City	39,675	34,629	8,728	6.2%
Chongqing Yida Innovation Plaza	20,192	15,716	7,783	2.9%
Residential Properties outside Business Parks	102,370	183,420	17,917	32.7%
Total	**528,076**	**560,142**	**10,607**	**100.0%**

Type	Contracted Sales Floor Area	Contracted Sales Amount	Average Sales Price	Percentage of Total Contracted Sales
	(sq.m.)	*(RMB ten thousand)*	*(RMB/sq.m.)*	
Residential Properties	332,093	413,838	12,462	73.9%
Office Properties	195,983	146,304	7,465	26.1%
Total	**528,076**	**560,142**	**10,607**	**100.0%**

Location	Contracted Sales Floor Area	Contracted Sales Amount	Average Sales Price	Percentage of Total Contracted Sales
	(sq.m.)	*(RMB ten thousand)*	*(RMB/sq.m.)*	
Business Parks	425,706	376,722	8,849	67.3%
Residential Properties outside Business Parks	102,370	183,420	17,917	32.7%
Total	**528,076**	**560,142**	**10,607**	**100.0%**

III. Business Park Operation and Management

As at the end of the Year, the Group had a total of 25 business parks under its entrusted operation and management, and the total area was approximately 3.48 million sq.m.. During the Year, 10 new business park were signed. Revenue generated amounted to RMB63.07 million, representing a year-on-year increase of 49.6%, mainly due to the revenue from newly added projects has been recognised.

As a leading business park operator, the Group established an online and offline integrated platform based on modern technology applications such as the Internet, big data, and intelligentization, as well as relying on the accumulation of more than 20 years of business park operation. By actively integrating industrial resources, improving the operation and service system, the Group introduces international high-quality resources for the projects under management, creates a platform for industry innovation and development, builds a regional demonstration park, and realizes the development of industrial clusters. During the Year, the Group signed service agreements with Tencent Shuangchuang Town, Yida Airport Zone Technology Valley, Shu'anhui Big Data Safety Technology Park, Pingdu Biomedicine Industrial Park, Shenzhen Huaqiang Creative Industrial Park and other projects.

Adhering to the basic business principles of "expanding scale, upholding efficiency, focusing on investment promotion, providing services, and strengthening management", the Group enhances its five aspects of "industry research, tenant recruitment and management, value-added services, intelligent business parks, and technical services", and explores the core advantages of "aggregating industries, serving enterprises, and managing business parks" to deepen its presence in first-tier cities, new first-tier cities, and municipalities. The Group provides tenants with comprehensive solutions for the entire industry chain by relying on the eight core industry directions of biomedicine, digital cultural and creative, artificial intelligence, energy saving and environmental protection, high-end equipment, intelligent manufacturing, technology finance and information technology, as well as eight business cooperation modes of strategic cooperation, brand output, entrusted operation, industry resource import, BOT, integrated services, joint venture operation and project expansion.

With the rapid development of digital technology in the new era, business parks are facing the pressure of digital transformation. In order to achieve cost reduction, efficiency enhancement and innovation, it is necessary to grasp the opportunity of gathering digital economy enterprises and utilize digital technologies to provide innovative services. With the technologies of Yida Yuntu, a wholly-owned subsidiary, the Group has set up its digital management system. Through advocating the creation of a digital economic ecology, the Group establishes and creates a digital urban ecology under three levels of city operation, industry operation and park operation. Meanwhile, various digital services launched in business parks through data flow control and cloud platform construction, empowering different working scenarios.

IV. Construction, Decoration and Landscaping

During the Year, the construction, decoration and landscaping businesses recorded revenue of RMB419 million, representing an increase of 8.9% from the corresponding period of the previous year, mainly due to an increase in external project contracts. The Group continued to deepen the strategy for upholding quality and focus on building and construction quality and safety. The Group created a standardized product line, and realized the standardization of the model room, landscape, decoration and other processes.

The Group's business team continued to strengthen its quality improvement and cost control. While continuing to provide strong support for internal project construction in Dalian, Zhengzhou, Changsha, Chongqing, Chengdu and other regions, the Group actively explored external markets and strengthens in-depth cooperation with leading real estate companies to contract external projects. During the Year, the quality of the projects undertaken by the Group was widely recognized and won numerous awards such as the National Outstanding Construction Enterprise and the National Top 200 Construction Industry. Meanwhile, the Group made every effort to expand its office building decoration business, and has successfully entered into a series of high-quality projects such as the Cisco Global Advanced Service Centre and the headquarters of Dalian Zhongsheng Group. The Group's core business capabilities of design and construction integration have been significantly improved. Its major projects of landscaping business are progressing rapidly, of which the Qingyun Sky Genting Demonstration Zone won the Excellence Award of the 3rd LIA Gardeners Cup International Tournament (第三屆LIA園匠杯國際大賽).

V. Property Management

During the Year, the Group's property management business recorded revenue of RMB630 million, remaining substantially at the same level as that of the corresponding period of last year.

As at the end of the Year, the Group's property management business covered 11 key cities across China, operating 74 residential property projects with a total GFA under operation of 14.90 million sq.m. and 40 office property projects. During the Year, the Group was awarded as "China's Top 100 Property Service Enterprises in 2020" and "Top 10 Operation Performance in China's Top 100 Property Service Companies in 2020" and "Leading Enterprise of Industrial Parks and Property Service Enterprises in 2020".

VI. Land Reserves

As of 31 December 2020, the total floor area of the Group's land reserves was approximately 9.71 million sq.m., while the floor area of land reserves attributable to the Group was approximately 8.44 million sq.m.. The concentration of land reserves further decreased; Dalian accounted for 65.7%, a 2.1 percentage point decrease compared with that of the end of the previous year, and the Group continued its business planning in Changsha, Zhengzhou, Shenyang, Chengdu, Chongqing and other key cities to implement its nationwide development strategy.

The Group adhered to the strategy of developing city-industry integration projects in key cities. In May 2020, the phase two plot of the Intelligent Manufacturing Industrial Village in Changsha Wangcheng Economic and Technological Development Zone was successfully acquired, with a total area of the project and estimated gross floor area of approximately 82,000 sq.m. and 192,000 sq.m., respectively. In June, the acquisition of equity of Qingyun Sky, a benchmark project located in Zhongshan District, Dalian, was successfully completed. The project will be wholly-owned and operated by the Group. Covering an area of approximately 96,000 sq.m. and a total gross floor building area of approximately 501,000 sq.m., the project will effectively replenish the Group's high-quality land resources in Dalian. In August, the Group successfully obtained the phase one land of Shenyang Sino-German Yida Intelligent Technology City, with an estimated gross floor area of approximately 89,000 sq.m..

In the future, the Group will also seize upon merger and acquisition opportunities brought by the overall trend of the real estate market, obtain suitable asset-heavy projects at proper timing to replenish saleable resources, including but not limited to business parks, standalone office and residential properties, and urban complex projects.

The following table outlines the Group's land reserve breakdown as of 31 December 2020:

By City	Total GFA of Land Reserves *(sq.m.)*	Proportion	Attributable GFA of Land Reserves *(sq.m.)*	Proportion
Dalian	6,377,997	65.7%	6,156,026	72.9%
Wuhan	841,839	8.6%	420,919	5.0%
Chengdu	118,121	1.2%	80,285	1.0%
Shenyang	88,535	0.9%	45,153	0.5%
Changsha	1,270,601	13.1%	829,865	9.8%
Zhengzhou	621,367	6.4%	621,367	7.4%
Chongqing	103,241	1.1%	103,241	1.2%
Hefei	288,191	3.0%	187,324	2.2%
Total	9,709,892	100.0%	8,444,180	100.0%

By Location	Total GFA of Land Reserves *(sq.m.)*	Proportion	Attributable GFA of Land Reserves *(sq.m.)*	Proportion
Business Parks	7,925,303	81.6%	6,760,457	80.1%
Residential Properties outside Business Parks	1,784,589	18.4%	1,683,723	19.9%
Total	9,709,892	100.0%	8,444,180	100.0%

Projects Within/ Outside Business Parks	Equity Held by the Group	Remaining Completed Saleable/ Leasable GFA *(sq.m.)*	GFA under Development *(sq.m.)*	GFA Held for Future Development *(sq.m.)*
Business Parks				
Dalian Software Park				
Office	100%	594,938	–	–
Residential	100%	117,351	–	–
Subtotal	100%	712,289	–	–
Dalian BEST City				
Office	100%	222,464	73,820	515,172
Residential	100%	190,035	5,935	–
Subtotal	100%	412,499	79,755	515,172
Wuhan First City				
Office	50%	295,578	115,729	412,209
Residential	50%	18,323	–	–
Subtotal	50%	313,901	115,729	412,209
Yida Information Software Park				
Office	100%	152,139	–	118,798
Residential	100%	200,700	125,898	–
Subtotal	100%	352,839	125,898	118,798
Dalian Ascendas IT Park				
Office	50%	279,000	61,292	103,652
Subtotal	50%	279,000	61,292	103,652
Dalian Tiandi				
Office	100%	413,738	212,405	1,148,943
Residential	100%	94,983	273,866	–
Subtotal	100%	508,721	486,271	1,148,943

Projects Within/ Outside Business Parks	Equity Held by the Group	Remaining Completed Saleable/ Leasable GFA *(sq.m.)*	GFA under Development *(sq.m.)*	GFA Held for Future Development *(sq.m.)*
Chengdu Tianfu Intelligent Transportation Science and Technology City				
Office	60%	42,388	52,202	–
Subtotal	60%	42,388	52,202	–
Changsha Yida & CSCEC Intelligent Technology Centre				
Office	51%	–	202,100	111,350
Subtotal	51%	–	202,100	111,350
Changsha Yida Intelligent Manufacturing Industrial Village				
Office	70%	83,980	68,625	304,924
Residential	70%	130,385	132,304	236,933
Subtotal	70%	214,365	200,929	541,857
Zhengzhou Yida Creation City				
Office	100%	–	338,361	283,006
Subtotal	100%	–	338,361	283,006
Chongqing Yida Innovation Plaza				
Office	100%	–	103,241	–
Subtotal	100%	–	103,241	–
Sino-German Yida Zntelligent Technology City				
Office	51%	–	–	88,535
Subtotal	51%	–	–	88,535

Projects Within/ Outside Business Parks	Equity Held by the Group	Remaining Completed Saleable/ Leasable GFA *(sq.m.)*	GFA under Development *(sq.m.)*	GFA Held for Future Development *(sq.m.)*
Projects Within Business Parks Subtotal		2,836,002	1,765,778	3,323,523
Projects Outside Business Parks				
Dalian	100%	427,323	450,236	595,308
Chengdu	100%	23,531	–	–
Hefei	65%	–	–	288,191
Projects Outside Business Parks Subtotal		450,854	450,236	883,499
Total		3,286,856	2,216,014	4,207,022

FINANCIAL REVIEW

Revenue

The sources of revenue of the Group include (1) income from sales of properties; (2) rental income; (3) income from providing business park operation and management services; (4) income from providing construction, decoration and landscaping services; and (5) income from property management services.

During the Year, the revenue of the Group was RMB5,204.22 million, representing a decrease of 14.4% from the corresponding period of last year.

The following table sets forth a breakdown of the revenue for the periods indicated:

	For the year ended 31 December			
	2020		2019	
	Amount RMB'000	***% of total amount***	*Amount RMB'000*	*% of total amount*
Sales of properties	**3,554,914**	**68.3%**	4,463,520	73.4%
Rental income	**537,506**	**10.3%**	554,622	9.1%
Business park operation and management service income	**63,070**	**1.2%**	42,149	0.7%
Construction, decoration and landscaping income	**418,647**	**8.1%**	384,323	6.3%
Property management income	**630,087**	**12.1%**	632,786	10.5%
Total	**5,204,224**	**100%**	6,077,400	100%

(1) Income from sales of properties

The Group's income arising from sales of residential properties within and outside business parks, office properties and standalone residential properties for the Year was RMB3,554.91 million, representing a decrease of 20.4% from the corresponding period of last year, which was mainly due to the decrease in projects delivered as a result of COVID-19 during the Year.

(2) Rental income

The Group's rental income derived from operation of business parks owned by the Group for the Year amounted to RMB537.51 million, representing a decrease of 3.1% from the corresponding period of last year, which was mainly attributable to the decrease in occupancy rate due to COVID-19 during the Year.

(3) Business park operation and management service income

During the Year, the income arising from business park operation and management services provided by the Group amounted to RMB63.07 million, representing an increase of 49.6% from the corresponding period of last year, which was mainly attributable to the income from newly added projects being recognised.

(4) Construction, decoration and landscaping income

During the Year, the income from construction, decoration and landscaping services provided by the Group amounted to RMB418.65 million, representing an increase of 8.9% from the corresponding period of last year, which was mainly attributable to the increase in external contracted projects during the year.

(5) Property management income

During the Year, the income from property management service provided by the Group amounted to RMB630.09 million, which was more or less at the same level in the last year.

Cost of Sales

The cost of sales of the Group during the Year amounted to RMB3,959.45 million, which was more or less at the same level in the last year.

Gross Profit and Gross Profit Margin

The gross profit of the Group during the Year amounted to RMB1,244.78 million, representing a decrease of 41.6% from the corresponding period of last year, the gross profit margin decreased to 23.9% during the year from 35.1% in the corresponding period of 2019, which was mainly attributable to different products carried forward during the Year and the decrease in corresponding average price of each product carried forward as compared to the same period last year.

Selling and Marketing Expenses

The sales and marketing expenses of the Group decreased by 18.6% to RMB169.35 million for the year from RMB208.09 million in the corresponding period of 2019, which was mainly due to the decrease in advertising costs during the Year.

Administrative Expenses

The administrative expenses of the Group decreased by 13.3% to RMB451.30 million for the year from RMB520.80 million in the corresponding period of 2019, which was mainly due to the adoption of active measures to control office costs by the Company during the Year.

Fair Value Gains on Investment Properties

The fair value gains on investment properties of the Group decreased to RMB81.07 million during the Year from RMB147.40 million in the corresponding period of 2019, which was mainly due to decrease in newly completed investment properties during the Year compared with the same period last year.

Finance Costs – net

The net finance costs of the Group increased to RMB832.09 million during the Year from RMB683.10 million in the corresponding period of 2019, which was primarily attributable to the increase in interest expenses.

Share of Profits and Losses of Joint Ventures and Associates

During the Year, the Group's share of profits of joint ventures and associates was RMB86.88 million, increased by approximately RMB36.07 million as compared to the corresponding period of 2019, which was mainly attributable to the increase in share profit in Dalian Software Park Ascendas Development Company Limited during the year.

Income Tax Expenses

The income tax expenses of the Group include corporate income tax, land appreciation tax and deferred income tax. The income tax expenses of the Group during the Year was RMB339.65 million, representing a decrease of 49.3% as compared to the corresponding period of last year, mainly due to the decrease in land VAT expenses and corporate income tax for projects carried over during the Year.

Gains Arising from Acquisition of Subsidiaries

Gains arising from acquisition of subsidiaries by the Group amounted to RMB454.89 million, which was mainly attributable to the acquisition of equity interests in Dalian Qingyun Sky Realty and Development Company Limited and Dalian Qingyun Sky Property Service Company Limited during the Year.

Profit for the Year

As a result of the foregoing, the pre-tax profit of the Group decreased by 59.0% to RMB536.48 million during the Year from RMB1,307.41 million in the corresponding period of 2019.

The net profit of the Group decreased by 69.2% to RMB196.84 million during the Year from RMB638.10 million in the corresponding period of 2019.

The net profit attributable to equity owners decreased by 61.7% to RMB172.58 million during the Year from RMB450.16 million in the corresponding period of 2019.

The core profit attributable to equity owners (excluding effects of fair value gains on investment properties, net of tax) decreased to RMB111.77 million during the Year from RMB339.62 million in the corresponding period of 2019.

LIQUIDITY, FINANCIAL AND CAPITAL RESOURCES

Cash Position

As at 31 December 2020, the Group had cash and bank balances of approximately RMB1,574.79 million (including restricted cash of approximately RMB1,002.55 million) (2019: cash and bank balances of approximately RMB2,039.52 million, including restricted cash of approximately RMB1,006.86 million).

Debts

As at 31 December 2020, the Group had bank and other borrowings of approximately RMB15,279.36 million (2019: approximately RMB15,015.73 million), of which:

(1) By Loan Type

	31 December 2020 *RMB'000*	31 December 2019 *RMB'000*
Secured bank loans	**5,866,626**	7,238,861
Unsecured bank loans	**3,000**	–
Secured other borrowings	**6,820,397**	4,817,646
Unsecured other borrowings	**2,589,336**	2,959,218
	15,279,359	15,015,725

(2) By Maturity Date

	31 December 2020 *RMB'000*	31 December 2019 *RMB'000*
Within one year or on demand	**11,869,159**	13,869,059
In the second year	**775,200**	1,146,666
In the third to fifth year	**2,635,000**	–
	15,279,359	15,015,725

Debt Ratio

The net gearing (net debt, including interest-bearing bank and other borrowings, less cash and cash equivalents and restricted cash, divided by the total equity) of the Group was approximately 111.3% as at 31 December 2020, which increased by 7.8 percentage points as compared to 103.5% as at 31 December 2019.

Foreign Exchange Risks

The functional currency of the Group is RMB and most transactions were denominated in RMB. As at 31 December 2020, the Group had cash and bank balances (including restricted cash) of approximately RMB7.35 million and approximately RMB3.41 million denominated in Hong Kong dollars and United States dollars, respectively. The Group had borrowings of RMB1,519.26 million and RMB523.08 million denominated in United States dollars and Hong Kong dollars, respectively. All such amounts were exposed to foreign currency risks. The Group currently has no foreign currency hedging policies, but the management continues to monitor foreign exchange risks and will consider hedging significant foreign exchange risks when necessary.

Contingent Liabilities

The Group enters into arrangements with PRC commercial banks to provide mortgage facilities to its customers to purchase the Group's properties. In accordance with industry practice, the Group is required to provide guarantees to these banks in respect of mortgages provided to such customers. Guarantees for such mortgages are generally discharged at the earlier of: (I) registration of mortgage interest to the bank, or (II) the settlement of mortgage loans between the mortgagee banks and the purchasers. As at 31 December 2020, the Group provided a guarantee of approximately RMB504.77 million to commercial banks in the PRC in respect of mortgage loans granted to the customers of the Group (2019: approximately RMB275.19 million). Besides, the Group provided guarantees to the extent of RMB524,480,000 (2019: nil) as at 31 December 2020 in respect of bank loans granted to a joint venture.

EMPLOYEES AND REMUNERATION POLICIES

As at 31 December 2020, the Group had 1,848 full-time employees (2019: 2,018). The Group distributes remunerations to the staff based on the performances, work experiences of the employees and the current market salary level.

The Group regularly reviews the remuneration policy and plan and will make necessary adjustments to make it in line with the industry salary standards.

FINAL DIVIDEND

The Board does not recommend any payment of final dividend for the year ended 31 December 2020 (2019: Nil).

COMPLIANCE WITH CORPORATE GOVERNANCE CODE

The Directors recognise the importance of good corporate governance in the management of the Group. The Company has adopted the code provisions set out in the Corporate Governance Code (the "**CG Code**") contained in Appendix 14 to the Rules Governing the Listing of Securities (the "**Listing Rules**") of the Stock Exchange. During the Year, except for deviation from Code Provision A.2.1 of the CG Code which stipulates that the roles of chairman and chief executive officer should be separate and should not be performed by the same individual, the Company has complied with all the code provisions set out in the CG Code.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") as set forth in Appendix 10 to the Listing Rules as the code for securities transactions by the Directors. The Company has made specific enquiry with each of the Directors and all Directors have confirmed that they complied with the Model Code throughout the Year.

PURCHASES, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

During the Year, neither the Company nor its subsidiaries has purchased, sold or redeemed any of the Company's listed securities.

MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES AND AFFILIATED COMPANIES

On 16 May 2020, the Group entered into a framework agreement with Sumitomo Realty & Development Co., Ltd. (住友不動產株式會社) ("**Sumitomo R&D**") to acquire 75% equity interest in Dalian Qingyun Sky Realty and Development Company Limited (大連青雲天下房地產開發有限公司) ("**Joint Venture**") held by Sumitomo R&D through a series of transactions or arrangements for a consideration of RMB3,030 million. The Joint Venture provided financing of RMB430 million for the Group, and China Orient Asset Management Co., Ltd (中國東方資產管理股份有限公司) ("**Dongfang**") provided financing of RMB2.6 billion for the Group. The Group simultaneously entered into an acquisition framework agreement with Sumitomo R&D to acquire the 50% equity interest in the Dalian Qingyun Sky Property Service Company Limited ("**Service Company**") at a consideration of RMB2,550,000.

The aforesaid acquisition was approved by Jiayou (International) Investment Limited, which owns 1,581,485,750 shares of the Company representing approximately 61.20% of the issued share capital of the Company by way of written shareholder's approval.

The first part of the transactions under the abovementioned agreements was completed on 12 June 2020, upon which the Joint Venture and the Service Company have been accounted for as wholly-owned subsidiaries of the Group and their financial results have been consolidated in the Group's consolidated financial statements. For details, please refer to the announcements of the Company dated 17 May 2020 and 12 June 2020 and the circular of the Company on 30 June 2020.

Save as disclosed above, the Group had no other material acquisition and disposal of subsidiaries or associated companies during the Year.

FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS

Save as disclosed in this announcement, the Group had not authorised any plans for other material investments or additions of capital assets as at 31 December 2020.

LITIGATION AND ARBITRATION

On 23 October 2017, certain subsidiaries of the Company (collectively, the "**Respondents**") received an arbitration notice from the Hong Kong International Arbitration Centre in respect of the submission of arbitration applications by the joint venture partners of the Group (the "**Claimants**") relating to the put price of the put options pursuant to certain agreements entered into between the Respondents, and the Claimants.

On 20 October 2020, the Hong Kong International Arbitration Centre issued a final award (the "**Final Award**"). The arbitral tribunal ordered that the Respondents shall pay the full put option price of USD108 million to the Claimants together with USD84 million being interest accrued up to the date of the Final Award, as well as the Claimants' legal costs and expenses. Upon receipt of such amounts, the Claimants shall transfer the equity interest of the Claimants in the relevant joint ventures to the relevant Respondents.

On 4 March 2021, the Respondents and the Claimants entered into the settlement agreement (the "**Settlement Agreement**"). The Respondents acknowledged that they are indebted to the Claimants for USD209 million according to the Final Award. It is further agreed that the amount payable by the Respondents would be reduced to USD175 million, and paid to the Claimants in accordance with the payment time and amount stipulated in the Settlement Agreement. On 5 March 2021, the Respondents has paid USD35 million to the Claimants in accordance with the Settlement Agreement.

For details, please refer to the announcements of the Company dated 25 February 2021 and 5 March 2021.

SUBSEQUENT EVENTS

On 4 March 2021, four wholly-owned subsidiaries of the Company (collectively, the "**Vendors**"), Longfor Jiayue Property Service Company Limited (龍湖嘉悦物業服務有限公司) (the "**Purchaser**") as well as Yida Property Service Company Limited (億達物業服務集團有限公司) (the "**Target Company**") and its subsidiaries (the "**Target Group**") entered into an equity transfer agreement, pursuant to which the Vendors have conditionally agreed to dispose of, and the Purchaser has conditionally agreed to acquire, the 100% equity interests held by the Vendors in the Target Company for a consideration of RMB1,273 million.

The aforesaid disposal was approved by Jiayou (International) Investment Limited, which owns 1,581,485,750 shares of the Company, representing approximately 61.20% of the issued share capital of the Company, by way of written shareholder's approval.

On 10 March 2021. the disposal was completed. The Target Group ceased to be subsidiaries of the Company and the financial information of the Target Group would no longer be consolidated into the Group's consolidated financial statements.

For details, please refer to the announcement of the Company dated 4 March 2021.

DISCLOSURE PURSUANT TO RULE 13.19 AND RULE 13.21 OF THE LISTING RULES

Reference is made to the announcements of the Company dated 10 April 2019, 22 April 2019, 10 June 2019, 23 February 2020 and 23 April 2020, the interim report of the Company for the six months ended 30 June 2019, the annual report of the Company for the year ended 31 December 2019 and the interim report of the Company for the six months ended 30 June 2020.

1. In April 2019, an asset freeze order was imposed on the Company's controlling shareholder, China Minsheng Investment Corp., Ltd. ("**China Minsheng**"), who indirectly held as to approximately 61.11% interests in the Company, in relation to its equity interests in China Minsheng Jiaye Investment Co., Ltd. (中民嘉業投資有限公司). It had technically resulted in the occurrence of certain triggering events under certain loan agreements entered into by the Group. The Company was further notified in relation to the financial difficulties faced by China Minsheng. As a result of the liquidity difficulties of China Minsheng, it has technically further resulted in the occurrence of certain triggering events under certain loan agreements entered into by the Group.

2. In February 2020, Mr. Chen Donghui, a then executive director of the Company (such director was removed at the annual general meeting of the Company held on 15 June 2020), was detained by the authorities of the PRC for suspected embezzlement. It has further resulted in the occurrence of certain triggering events under certain loan agreements.

3. On 17 April 2017, the Company issued senior notes in an aggregate principal amount of USD300,000,000. The remaining principal amount of the senior notes was USD52,854,000 which was due on 20 April 2020 and the Company had repaid in full on 24 April 2020, which also constituted an event of default.

4. On 20 October 2020, the Hong Kong International Arbitration Centre issued a judgement, pursuant to which certain subsidiaries of the Group are required to pay the put option price and interest to the arbitration applicant within 14 days from the date thereof. However, certain subsidiaries did not execute the judgement until 90 days, which resulted in the technical default of the senior notes. In March 2021, the Group entered into a settlement agreement with the arbitration applicant, and the senior notes investors have agreed to exempt the breach of contract.

5. On 30 October 2020, bank loans of a subsidiary from one commercial bank matured, which the relevant subsidiary subsequently repaid in certain tranches until 4 March 2021. The delay in repayment which constituted an event of default.

As at 31 December 2020, the respective lenders may demand immediate repayment of the outstanding loans in the amount of RMB7,695,711,000 in accordance with the above matters. As at the date of this announcement, no relevant lender had demand for immediate repayment of the loans. The operation of the Group, including its pre-sale and receivables collection, remains normal. The Company and relevant banks and financial institutions continue to negotiate on the future financing arrangements with the Company, and at the same time is also exploring alternative sources of financing as and when needed.

Where the circumstances giving rise to the obligations under Rule 13.19 of the Listing Rules continue to exist, the Company will include relevant disclosures in subsequent interim and annual reports in accordance with Rule 13.21 of the Listing Rules, and will disclose further developments on this matter by way of further announcement(s) in a timely manner in accordance with requirements under the Listing Rules.

SHARE OPTION SCHEME

The Company adopted a share option scheme on 1 June 2014. During the year ended 31 December 2020, no share options have been granted under the share option scheme.

ANNUAL RESULTS

The annual results of the Group for the year ended 31 December 2020 have been reviewed and approved by the audit committee of the Company.

SCOPE OF WORK OF PRICEWATERHOUSECOOPERS

The figures in respect of the Group's consolidated statement of financial position, consolidated statement of profit or loss, consolidated statement of comprehensive income and the related notes thereto for the year ended 31 December 2020 as set out in this announcement have been confirmed by the Company's auditor, PricewaterhouseCoopers (the "**Auditor**"), to the amounts set out in the Group's draft consolidated financial statements for the year ended 31 December 2020. The work performed by the Auditor in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the HKICPA and consequently no assurance has been expressed by the Auditor on this announcement.

PUBLICATION OF ANNUAL RESULTS AND ANNUAL REPORT ON WEBSITES OF THE STOCK EXCHANGE AND THE COMPANY

The annual results announcement is published on the website of the Stock Exchange at www.hkexnews.hk and the Company's website at www.yidachina.com.

The annual report of the Company for the year of 2020, together with the circular, the notice convening the AGM and the proxy form, will be dispatched to shareholders of the Company and available on the above websites in due course.

By order of the Board
Yida China Holdings Limited
Jiang Xiuwen
Chairman and Chief Executive Officer

Hong Kong, 31 March 2021

As at the date of this announcement, the executive directors of the Company are Mr. Jiang Xiuwen, Ms. Zheng Xiaohua and Mr. Yu Shiping, the non-executive directors of the Company are Mr. Wang Gang and Mr. Zhang Xiufeng and the independent non-executive directors of the Company are Mr. Yip Wai Ming, Mr. Guo Shaomu, Mr. Wang Yinping and Mr. Han Gensheng.