YiDA 亿达

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 UNAUDITED ANNUAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2019

FINANCIAL HIGHLIGHTS

1. Recognised revenue of 2019 amounted to RMB6,077.40 million, representing a decrease of 17.4% as compared to 2018;

2. Gross profit amounted to RMB2,130.60 million, representing an increase of 3.9% as compared to 2018, and the gross profit margin was 35.1% in 2019;

3. Profit for the year of the Company amounted to RMB638.10 million; net profit margin of the Company was 10.5%;

4. Basic earnings per share was RMB17 cents; and

5. The Board does not recommend any payment of final dividend for the year ended 31 December 2019.

FINANCIAL INFORMATION

The board (the "**Board**") of directors (the "**Directors**") of Yida China Holdings Limited (the "**Company**") hereby announces the unaudited consolidated results of the Company and its subsidiaries (the "**Group**") for the year ended 31 December 2019 together with comparative figures for the corresponding period in 2018. For the reasons explained in the paragraph headed "Review of Unaudited Annual Results" in this announcement, the auditing process for the annual results of the Group for the year ended 31 December 2019 has not been completed.

UNAUDITED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the year ended 31 December 2019

	Notes	**2019** *RMB'000* *(Unaudited)*	2018 *RMB'000* *(Audited)*
Revenue	*4*	**6,077,400**	7,356,958
Cost of sales	*5*	**(3,946,801)**	(5,305,746)
Gross profit		**2,130,599**	2,051,212
Other income		**52,733**	51,927
Fair value gains on investment properties	*10*	**147,396**	6,586
Net impairment losses on financial and contract assets		**(9,174)**	(23,861)
Other gains – net		**347,032**	745,901
Selling and marketing expenses	*5*	**(208,086)**	(192,886)
Administrative expenses	*5*	**(520,801)**	(502,698)
Finance costs – net	*6*	**(683,098)**	(659,853)
Share of profits and losses of joint ventures and associates		**50,808**	8,810
Profit before income tax		**1,307,409**	1,485,138
Income tax expenses	*7*	**(669,306)**	(681,552)
Profit for the year		**638,103**	803,586
Attributable to:			
Owners of the Company		**450,164**	833,919
Non-controlling interests		**187,939**	(30,333)
		638,103	803,586
Earnings per share attributable to ordinary equity holders of the Company			
Basic and diluted (RMB per share)	*9*	**0.17**	0.32

UNAUDITED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2019

	2019 *RMB'000* *(Unaudited)*	2018 *RMB'000* *(Audited)*
Profit for the year	**638,103**	803,586
Other comprehensive income which may be reclassified to profit or loss in subsequent periods:		
Exchange differences	**–**	21,027
Total comprehensive income for the year	**638,103**	824,613
Attributable to:		
Owners of the Company	**450,164**	854,946
Non-controlling interests	**187,939**	(30,333)
	638,103	824,613

UNAUDITED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2019

	Notes	2019	2018
		RMB'000	*RMB'000*
		(Unaudited)	*(Audited)*
Non-current assets			
Property, plant and equipment		**125,761**	93,868
Investment properties	*10*	**19,745,832**	18,604,066
Investments in joint ventures		**1,853,509**	1,780,760
Investments in associates		**14,174**	21,300
Prepayments for acquisition of land		**2,801,290**	2,555,067
Prepayments and other receivables		**792,413**	22,934
Intangible assets		**32,597**	32,959
Deferred tax assets		**253,446**	150,820
Total non-current assets		**25,619,022**	23,261,774
Current assets			
Inventories		**7,920**	14,658
Land held for development for sale		**768,008**	1,111,781
Properties under development		**6,494,611**	5,121,082
Completed properties held for sale		**4,791,514**	5,453,716
Prepayments for acquisition of land		**529,529**	1,121,228
Contract assets		**138,439**	140,242
Trade receivables	*11*	**912,416**	1,186,619
Prepayments, deposits and other receivables		**2,197,831**	3,463,103
Prepaid corporate income tax		**129,655**	143,720
Prepaid land appreciation tax		**244,995**	262,178
Restricted cash	*12*	**1,006,857**	728,486
Cash and cash equivalents	*12*	**1,032,666**	1,077,775
Total current assets		**18,254,441**	19,824,588
Total assets		**43,873,463**	43,086,362

	Notes	**2019**	2018
		RMB'000	*RMB'000*
		(Unaudited)	*(Audited)*
Non-current liabilities			
Interest-bearing bank and other borrowings	*14*	**1,146,666**	4,375,520
Deferred tax liabilities		**2,505,589**	2,516,583
Lease liabilities		**399,255**	–
Other non-current liabilities		**2,659**	–
Total non-current liabilities		**4,054,169**	6,892,103
Current liabilities			
Contract liabilities		**4,733,967**	3,046,881
Trade payables	*13*	**3,378,641**	2,716,306
Other payables and accruals		**2,917,219**	4,138,083
Derivative financial instruments		**769,496**	746,708
Interest-bearing bank and other borrowings	*14*	**13,869,059**	12,651,205
Corporate income tax payable		**678,807**	469,079
Provision for land appreciation tax		**875,513**	587,438
Lease liabilities		**61,071**	–
Total current liabilities		**27,283,773**	24,355,700
Total liabilities		**31,337,942**	31,247,803
Equity			
Equity attributable to owners of the Company			
Issued capital		**159,418**	159,418
Reserves		**11,697,580**	11,215,526
		11,856,998	11,374,944
Non-controlling interests		**678,523**	463,615
Total equity		**12,535,521**	11,838,559
Net current liabilities		**(9,029,332)**	(4,531,112)
Total assets less current liabilities		**16,589,690**	18,730,662

NOTES TO THE UNAUDITED FINANCIAL STATEMENTS

31 December 2019

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 2019, 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, Tianjin, Zhengzhou, Hefei, Xi'an, Suzhou, Hangzhou, Shenzhen, Changsha, Chongqing 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 unaudited 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 unaudited consolidated financial statements of the Company for the year ended 31 December 2019 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 unaudited 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 2019, the Group's current liabilities exceeded its current assets by RMB9,029,332,000. At the same date, its current borrowings amounted to RMB13,869,059,000 while its cash and cash equivalents amounted to RMB1,032,666,000 only. Since 2018, the financial conditions of the Group's controlling shareholder, China Minsheng, changed in such a way that triggered certain terms specified in the Group's loan agreements. This resulted in certain of the Group's borrowings amounted to RMB8,187,719,000 in total as at 31 December 2019 becoming immediately repayable if requested by the lenders, of which RMB5,053,108,000 represented loans or corporate bond with scheduled repayment dates within one year, while RMB3,134,611,000 represented non-current loans with original maturity dates beyond 31 December 2020 that were reclassified as current liabilities. Among the above-mentioned borrowings of RMB8,187,719,000, certain terms specified in the borrowings of RMB5,082,360,000 was also subsequently triggered by the detainment of Mr. Chen Donghui, an executive director of the Company and thus resulted in these borrowings became immediately repayable if requested by the lenders, of which RMB2,335,530,000 represented loans with scheduled repayment dates within one year, while RMB2,746,830,000 represented loans with original maturity dates beyond 31 December 2020.

The above conditions indicated the existence of material uncertainties which 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 did not require the Group to repay the relevant loans immediately, the Group has constantly maintained active communication with relevant banks and financial institutions to explain changes in the financial conditions of China Minsheng and the detainment of Mr. Chen Donghui, which will not have any substantial impact on the Group's finances and operations. The Directors are confident that the relevant lenders will not exercise their rights to demand the Group's immediate repayment of the bank loans prior to their original contract repayment dates.

(ii) The Group is also actively negotiating with several existing banks and financial institutions on the renewal of and extension for repayment of certain existing borrowings. In this connection subsequent to 31 December 2019, the Group has been able to extend certain existing borrowings and obtain new borrowings. The Directors believe that, given the Group's good credit history and the Group's properties can be used as collateral for the loans, the Group will be able to renew existing borrowings and obtain new borrowings when necessary.

(iii) On 27 March 2020, the exchange offer and consent solicitation for the existing senior notes issued in 2017 was completed. USD247,146,000 of the existing senior notes 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, USD22,243,140 as cash consideration, USD7,538,639.68 as accrued interests and USD3,860 in lieu of any fractional amount of the new senior notes. The new senior notes will mature in March 2022, while the Company shall, at the option of any new senior notes holders, repurchases the outstanding new senior notes in March 2021.

(iv) The Group has implemented 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.

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

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 2019. 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 2019. Accordingly, the Directors are satisfied that it is appropriate to prepare the unaudited 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 and corporate bond;

(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; and

(iv) the successful 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.

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 unaudited consolidated financial statements.

(d) New standards, amendments and interpretations of HKFRSs adopted by the Group in 2019

The Group has applied the following standards and amendments for the first time for its annual reporting period commencing 1 January 2019:

- *HKFRS 16 Leases ("HKFRS 16")*
- *Prepayment Features with Negative Compensation – Amendments to HKFRS 9*
- *Long-term Interests in Associates and Joint Ventures – Amendments to HKAS 28*
- *Annual Improvements to HKFRS Standards 2015 – 2017 Cycle*
- *Plan Amendment, Curtailment or Settlement – Amendments to HKAS 19*
- *Interpretation 23 Uncertainty over Income Tax Treatments.*

The impact of the adoption of HKFRS 16 is disclosed in note 2.2 below. The other newly effective standards, amendments and interpretation to existing standards did not have any impact on the amounts recognised in prior periods and are not expected to significantly effect the current or future periods.

(e) New Standards, amendments and interpretations of HKFRSs not yet adopted

Certain new accounting standards and interpretations have been published that are not mandatory for 31 December 2019 reporting periods and have not been early adopted by the Group. These standards are not expected to have a material impact on the Group in the current or future reporting periods and on foreseeable future transactions.

2.2 Changes in accounting policies

The Group has adopted HKFRS 16 from 1 January 2019, but has not restated comparatives for the 2018 reporting period, as permitted under the specific transitional provisions in the standard. The adjustments arising from HKFRS 16 are therefore recognised in the opening statement of financial position on 1 January 2019.

On adoption of HKFRS 16, the Group recognised lease liabilities in relation to leases which had previously been classified as "operating leases" under the principles of HKAS 17 Leases. These liabilities were measured at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate as of 1 January 2019. The weighted average lessee's incremental borrowing rate applied to the lease liabilities on 1 January 2019 was 7.87%.

As a lessee, the Group mainly leases offices and business parks. The right-of-use assets (recognised under the same caption of assets that are being used for) were measured at the amount equal to the respective lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognised in the statement of financial position as at 31 December 2018. There were no onerous lease contracts that would have required an adjustment to the right-of-use assets at the date of initial application. The following table shows the adjustments recognised for each individual line item. Line items that were not affected by the changes have not been included.

Consolidated statement of financial position (extract)

	31 December 2018 (As originally presented)	HKFRS 16	1 January 2019 (Restated)
Non-current assets			
Property, plant and equipment	93,868	15,718	109,586
Investment properties	18,604,066	438,347	19,042,413
Non-current liabilties			
Lease liabilities	–	399,623	399,623
Current liabilities			
Lease liabilities	–	54,442	54,442

3 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, amounts due from related parties, 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, amounts due to related parties, tax payable, provision for land appreciation tax 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.

In the year ended 31 December 2019, no revenue from transaction with a single external customer amounted to 10% or more of the Group's total revenue.

Year ended 31 December 2019 (Unaudited)

	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*
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 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 unaudited 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 business tax, value-added tax and surcharges, during the year.

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

	2019	2018
	RMB'000	*RMB'000*
	(Unaudited)	(Audited)
Revenue from contracts with customers recognised at a point in time		
Sale of properties	**4,463,520**	5,957,781
Revenue from contracts with customers recognised over time		
Business park operation and management service income	**42,149**	62,842
Construction, decoration and landscaping income	**384,323**	318,599
Property management income	**632,786**	539,138
	1,059,258	920,579
Revenue from contracts with customers	**5,522,778**	6,878,360
Revenue from other sources		
Rental income	**554,622**	478,598
	6,077,400	7,356,958

5. Expenses by Nature

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

	2019	2018
	RMB'000	*RMB'000*
	(Unaudited)	(Audited)
Cost of properties sold	**2,829,106**	4,107,662
Cost of services provided	**875,259**	777,071
Impairment of properties under development and completed properties held for sale	**74,686**	214,463
Direct operating expenses (including repairs and maintenance) arising on rental-earning investment properties	**167,750**	206,550
Employee benefit expenses	**338,482**	310,756
Office lease expenses	**11,595**	32,402
Depreciation	**37,387**	17,330
Amortisation of intangible assets	**12,909**	11,250
Auditor's remuneration	**5,180**	5,180
Other costs and expenses	**323,334**	318,666
Total cost of sales, selling and marketing expenses and administrative expenses	**4,675,688**	6,001,330

6. Finance Costs – net

An analysis of finance income and costs is as follows:

	2019	2018
	RMB'000	*RMB'000*
	(Unaudited)	(Audited)
Finance costs		
Interest on bank loans and other loans	**1,588,378**	1,470,484
Interest on lease liabilities	**34,330**	–
Less: Interest capitalised	**(881,364)**	(675,848)
	741,344	794,636
Interest income	**(58,246)**	(134,783)
Finance costs – net	**683,098**	659,853

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 (2018: 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:

	2019	2018
	RMB'000	*RMB'000*
	(Unaudited)	(Audited)
Current – PRC		
Corporate income tax charge for the year	**339,223**	105,971
Land appreciation tax charge for the year	**442,965**	409,417
	782,188	515,388
Deferred:		
Current year	**(112,882)**	166,164
	(112,882)	166,164
Total tax charge for the year	**669,306**	681,552

8. Dividend

	2019	2018
	RMB'000	*RMB'000*
	(Unaudited)	(Audited)
Proposed no final dividend (2018: Nil) per ordinary share	**–**	–

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 RMB450,164,000 (2018: RMB833,919,000), and the weighted average number of ordinary shares of 2,583,970,000 (2018: 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 2019 and 2018 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*
(Audited)				
Carrying amount at 31 December 2017 and 1 January 2018	–	10,531,950	1,712,672	12,244,622
Additions arising from acquisition of subsidiaries	–	1,896,450	4,947,100	6,843,550
Other additions	–	40,818	156,488	197,306
Disposals	–	(80,898)	–	(80,898)
Transfer out to properties under development	–	–	(607,100)	(607,100)
Net gains from fair value adjustments	–	6,330	256	6,586
Carrying amount at 31 December 2018	–	12,394,650	6,209,416	18,604,066
(Unaudited)				
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
Other additions	–	88,849	241,745	330,594
Completion of under construction	–	199,411	(199,411)	–
Disposals	–	–	(37,667)	(37,667)
Net gains from fair value adjustments	58,653	31,344	57,399	147,396
Carrying amount at 31 December 2019	497,000	12,977,350	6,271,482	19,745,832

At 31 December 2019, certain of the Group's investment properties of RMB14,547,558,000 (2018: RMB13,869,213,000) were pledged to banks to secure the loans granted to the Group (note 14).

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 2019 and 2018, 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 and investment properties under construction measured at fair value in the aggregate carrying amount of RMB1,531,000,000 as at 31 December 2019 (2018: RMB1,530,000,000), 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

	2019	2018
	RMB'000	*RMB'000*
	(Unaudited)	(Audited)
Trade receivables – gross amount	**964,562**	1,225,429
Less: Allowances for impairment of trade receivables	**(52,146)**	(38,810)
	912,416	1,186,619

Trade receivables mainly represent receivables for contract works. The payment terms of contract works 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 allowances for impairment, is as follows:

	2019	2018
	RMB'000	*RMB'000*
	(Unaudited)	(Audited)
Within 1 year	**717,970**	908,533
1 to 2 years	**157,412**	259,626
Over 2 years	**89,180**	57,270
	964,562	1,225,429

12. Cash and Cash Equivalents and Restricted Cash

	2019 *RMB'000* (Unaudited)	2018 *RMB'000* (Audited)
Cash and bank balances	**2,039,523**	1,806,261
Less: Restricted cash	**(1,006,857)**	(728,486)
Cash and cash equivalents	**1,032,666**	1,077,775

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 RMB1,999,742,000 (2018: RMB1,803,429,000). The RMB is not freely convertible into other currencies, however, under Mainland China's Foreign Exchange Control Regulations and Administration of Settlement, Sale and Payment of Foreign Exchange Regulations, the Group is permitted to exchange RMB for other currencies through banks authorized to conduct foreign exchange business.

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:

	2019 *RMB'000* (Unaudited)	2018 *RMB'000* (Audited)
Due within 1 year or on demand	**2,038,170**	1,615,470
Due within 1 to 2 years	**1,340,471**	1,100,836
	3,378,641	2,716,306

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

14. Interest-Bearing Bank and Other Borrowings

	2019 (Unaudited)			2018 (Audited)		
	Effective interest rate (%)	**Maturity**	***RMB'000*** **(Unaudited)**	Effective interest rate (%)	Maturity	*RMB'000* (Audited)
Current						
Bank loans – secured	**4.35-9.50**	**2020**	**6,875,981**	4.35-10.60	2019	6,316,447
Other loans – secured	**5.70-15.00**	**2020**	**4,705,286**	5.70-18.0	2019	4,089,128
Other loans – unsecured	**1.20-15.00**	**2020**	**2,287,792**	1.20-7.00	2019	2,245,630
			13,869,059			12,651,205
Non-current						
Bank loans – secured	**6.00**	**2021**	**362,880**	3.58-6.18	2020-2021	1,554,508
Other loans – secured	**10.00**	**2021**	**112,360**	8.50-15.00	2020	761,057
Other loans – unsecured	**10.00**	**2021**	**671,426**	6.95	2020	2,059,955
			1,146,666			4,375,520
			15,015,725			17,026,725

	2019 ***RMB'000*** **(Unaudited)**	2018 *RMB'000* (Audited)
Analysed into:		
Bank loans repayable:		
Within one year or on demand	**6,875,981**	6,316,447
In the second year	**362,880**	1,188,320
In the third to fifth years, inclusive	**–**	366,188
	7,238,861	7,870,955
Other loans repayable:		
Within one year or on demand	**6,993,078**	6,334,758
In the second year	**783,786**	2,821,012
	7,776,864	9,155,770
	15,015,725	17,026,725

As at 31 December 2019, included in bank loans of the Group is an amount of RMB2,151,000,000 (2018: RMB1,742,480,000) 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 RMB3,134,611,000 (2018: RMB5,005,474,000) with original maturity beyond 31 December 2020 which have been reclassified as current liabilities as at 31 December 2019 as a result of the matters described in note 2.1(c).

(a) Included in other loans of the Group are corporate bonds in an aggregate principal amount of RMB1,426,772,000 (31 December 2018: RMB2,801,748,000). The first tranche of RMB1,000,000,000 and the second tranche of RMB2,000,000,000 of the corporate bonds 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. At the end of third year, Yida Development shall be entitled to adjust the coupon rate of corporate bonds and the bond holders shall be entitled to sell back the bonds to Yida Development. A principal amount of RMB198,252,000 of the first tranche has been redeemed during 2018 and the remaining principal amount of RMB801,748,000 of the first tranche was extended and recorded into current interested bearing bank and other borrowings. Besides, a principal amount of RMB1,374,976,000 of the second tranche has been redeemed on 7 March 2019 as scheduled and the maturity date of the remaining principal amount of RMB625,024,000 of the second tranche has been extended to March 2021.

(b) Included in other loan of the Group are senior notes with principal amount of USD300,000,000 (approximately RMB2,092,860,000) issued in April 2017 (31 December 2018: USD300,000,000 (approximately RMB2,058,960,000)) (the "**Existing Notes**"). The net proceeds after deducting the issuance costs, amounted to approximately USD289,819,000 (approximately RMB2,021,835,000). The Existing Notes are unsecured, have a term of three years and bear interest at a rate of 6.95% per annum. The original maturity date will be 19 April 2020.

    On 27 March 2020, the exchange offer and consent solicitation for the existing senior notes issued in 2017 was completed. USD247,146,000 of the existing senior notes 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, USD22,243,140 as cash consideration, USD7,538,639.68 as accrued interests and USD3,860 in lieu of any fractional amount of the new senior notes. The new senior notes will mature in March 2022, while the Company shall, at the option of any new senior notes holders, repurchases the outstanding new senior notes in March 2021.

    Both of the Existing Notes and the new senior notes of the Company are denominated in United States dollars ("**USD**") and are guaranteed by certain subsidiaries of the Group.

    The remaining outstanding principal amount of the Existing Notes was USD52,854,000 and will be kept until maturity.

(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 2019 of approximately RMB3,490,862,000 (2018: RMB1,760,467,000);

    (ii) pledges of the Group's investment properties with an aggregate carrying value at 31 December 2019 of approximately RMB14,547,558,000 (2018: RMB13,869,213,000);

    (iii) pledges of the Group's land held for development for sale with an aggregate carrying value at 31 December 2019 of approximately RMB464,607,000 (2018: RMB833,898,000);

    (iv) pledges of the Group's completed properties held for sale with an aggregate carrying value at 31 December 2019 of approximately RMB2,626,371,000 (2018: RMB3,899,419,000);

    (v) pledge of a building of the Group with a carrying value at 31 December 2019 of approximately RMBNil (2018: RMB45,308,000);

(vi) corporate guarantees executed by certain subsidiaries of the Group to the extent of RMB8,794,814,000 (2018: RMB9,027,509,000) as at 31 December 2019;

(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 2019 of approximately RMB695,000,000 (2018: RMB542,000,000);

(ix) pledges of certain of the Group's guarantee deposits with an aggregate carrying value at 31 December 2019 of approximately RMB52,100,000 (2018: Nil); and

(x) pledges of other receivables of the Group with a carrying value at 31 December 2019 of approximately RMBNil (2018: RMB254,400,000).

(d) Other than certain other loans with a carrying amount of RMB2,112,149,000 (2018: RMB2,059,955,000) denominated in USD as at 31 December 2019 and RMB496,349,000 (2018: RMB245,836,000) denominated in HKD as at 31 December 2019, all bank and other loans of the Group are denominated in RMB as at 31 December 2019 and 2018.

(e) As at 31 December 2018, included in other loans of the Group were loans from joint ventures with principal amounts of RMB21,000,000, which was unsecured, bore interest at 4.75% per annum and was repayable on demand, and RMB13,480,000, which was unsecured, bore interest at 3% per annum and was repayable on demand, respectively. All of them were paid repaid in 2019.

(f) As at 31 December 2019, included in other loans of the Group were loans from a related party controlled by the same ultimate holding company with principal amounts of RMB58,500,000, which were unsecured, bore interest at 15% per annual and were repayable within one year.

CHAIRMAN'S STATEMENT

Dear shareholders,

I am pleased to present you the annual results of the Group for the year ended 31 December 2019 (the "**Year**").

RESULTS

During the Year, the Group recorded revenue of RMB6,077 million, of which sales income from residential properties within and outside business parks and office properties was RMB4,464 million. Rental income from business parks was RMB555 million; business park operation and management income was RMB42.15 million; construction, decoration and landscaping income was RMB384 million; and property management income was RMB633 million. Gross profit increased by 3.9% to RMB2,131 million compared to the corresponding period of the previous year, with a gross profit margin of 35.1%. Net profit attributable to equity owners was RMB450 million.

REVIEW OF 2019

In 2019, China's industry structural transformation and upgrade were further advanced, and its high-tech industry was striding towards the mid- to high-end of the global value chain. These factors provided great opportunities for the development of business parks and new cities integrated with dedicated industries. As important drivers of industry transformation, upgrading and economic growth, business parks will play a more prominent role in re-shaping, driving and enpowering future industry chains and the social development, and the dual driving forces of industries and new cities will become unlimited new motivations to the sustainable development, high-quality development and structural development of cities and regions.

The Group has pursued in business park development and operation for more than 20 years, and has accumulated extensive experience in the development and operation of city-industry integration projects. Its core capabilities for city upgrading, industry fostering, business services and tenant recruitment are widely recognised in the industry. Following the operational concept of "promoting cities with industry, achieving city-industry integration, accomplishing coordinated development and creating value together", the Group has devoted to creating an increasingly refined, diverse and three-dimensional industry ancillary services system.

I. Implementing city-industry integration projects, practicing various business models, in order to effectively generate new growth drivers

In 2019, the Company continued to focus on the acqusition of "city-industry integration" projects and the positioning of potential target cities, further explored its business in new first-tier and strong second-tier cities and strove to build high-end parks based on the idea of creating a new style of business-driven city with the characteristics of driving the regional economy, satisfying lifestyles and improving the living and working experiences within the region. During the Year, the Group succeeded in the bid of the land for phase two of Zhengzhou Technology New City, and entered into an office units purchase agreement with the local government in respect of the business park. Projects in core strategic cities, including Wuhan, Changsha, Chengdu, Chongqing and Zhengzhou, had all entered sales or operation phase. During the Year, the percentage of contracted sales of projects outside Dalian has increased to 34%. The turnover rate of salable resources was accelerated and the asset structure became increasingly sound.

II. Improving the quality of asset-light business, strengthening the core capacity of tenant recruitment, in order to continuously deepen the national expansion

The Group continued to develop its asset-light business and build three core competencies of "gathering industries, servicing enterprises and managing business parks with intelligent technologies" in accordance with the strategic position of "a leading park technology service provider in China" and carried out the planning of "five regions and fifty cities" by focusing on Beijing-Tianjin-Hebei, the Yangtze River Delta, the Midwest Economic Zone, the Guangdong-Hong Kong-Macao Greater Bay Area and other economically active municipalities, provincial capitals and other key cities in the area.

III. Continuously make innovations, continuously develop new business opportunities, in order to lay a solid foundation for future development

As the Group entered the second year in the construction and planning of the Yida intelligent park platform, Yida Yuntu, a wholly-owned subsidiary of the Group, was fully launched with the "Huiyun, Zhiyun, Xiangyun and Xingyun (慧雲、智雲、享雲、星雲)" product systems completed, and followed the "one body, two wings and three eco-systems" blueprint. Yida Yuntu was responsible for the implementation, delivery and stable operation of 23 internal and external projects, and reached agreement for cooperation with a number of intelligent hardware manufacturers and service resource providers.

OUTLOOK FOR 2020

By 2020, it will mark the end of China's building a "moderately prosperous society" and the 13th Five-Year Plan. The economy and society will be at a critical stage of "changing development methods, optimization of economic structure and shift in growth drivers", and economic development will face many challenges. Nevertheless, the Group will focus on its targets of national emerging industries development, implementing its main businesses, and upholding "market-oriented, customer-centric, profit-based" principles to create innovative products, technologies and services. As always, Yida will "work together and make an unremitting effort" to ensure the stable development of the Company.

I. Strengthening core competitiveness, implementing strategic plans, in order to ensure stable development

The Group has implemented the strategy of "expanding scale, focusing on efficiency, emphasising on tenant recruitment, improving services and strengthening management" for its asset-light and asset-heavy projects. It will continue to focus on the five major regions, expand project resources and improve operational quality with a view to delivering more than 100 projects in operation. The Group will also maintain its presence in Dalian, Wuhan, Changsha, Zhengzhou, Chengdu and Chongqing with a "city-industry integration" development model, and will increase the scope of investment and will select the most suitable asset-light and asset-heavy projects for implementation at the best timing to ensure a sustainable and stable performance. The Group will also work with strategic partners in Beijing-Tianjin-Hebei, Yangtze River Delta, Pearl River Delta and other metropolitan areas to seek out investment and operation opportunities.

II. Promoting the advantages of business management and development mode, implementing digital transformation, in order to comprehensively upgrade core competitiveness

The Group will innovate within its intelligent park operation and service models, realise market-oriented value based on the existing intelligent park product system, and accelerate the development of an online platform and the delivery of an offline operation and service system. By promoting the applications to internal and external projects, the Group will build a preliminary framework for "business park site selection" and "industry services" platforms. The Group will also continue to develop in intelligent property services, strive to transcend the limitations of traditional property management, and explore a new intelligent service model. Through the use of advanced mobile internet, IOT, big data, and the integration of advanced "internet+property" concepts, the Group will move to create an intelligent integrated platform for property services, an intelligent property ecosystem, and accomplish a leap from "quality" to "intelligence" in property management.

III. Introducing strategic partners, facilitating diverse cooperation, in order to support the future development

The Group will continue to leverage on its strengths in creating industry-wise synergy effect and building intelligent new cities. Building onto the existing network of investment, operating, construction and financial partners, the Group will actively expand and introduce partners with capitals, resources and business synergies to complement its own existing advantages in management, resources and brand. Through equity and project cooperation, the Group will pursue the implementation of city-industry integration projects and enhance its core competitiveness to form a pattern of mutual assistance and integrated development, and contribute to the stable development of cooperative projects based on respective advantages.

On behalf of the Board, I would like to express our heartfelt gratitude to all shareholders, investors, business partners and customers for supporting 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 2020

BUSINESS REVIEW

I. Operation of Business Parks Owned by the Group

During the Year, four business parks wholly owned by the Group included 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 was approximately 1,994 thousand sq.m., with a leasable area of approximately 1,949 thousand sq.m. During the Year, the Group recorded a rental income of approximately RMB554.62 million, representing a 15.9% increase over the previous year, mainly due to an increase in leased area during the Year.

An overview of business parks owned by the Group:

Business Parks	Interest Held by the Group	Total Completed Floor Area	Leasable Area				Occupancy Rate at the End of the Year
			Office Buildings	Apartments	Shops	Parking Spaces	
		('000 sq.m.)	*('000 sq.m.)*	*('000 sq.m.)*	*('000 sq.m.)*	*('000 sq.m.)*	
Dalian Software Park	100%	637	391	180	33	42	96%
Dalian BEST City	100%	147	99	–	7	41	80%
Yida Information Software Park	100%	155	131	–	4	20	100%
Dalian Tiandi	100%	451	329	37	41	44	79%
Wuhan First City	50%	255	112	42	29	94	37%
Dalian Ascendas IT Park[1]	50%	349	206	–	3	64	85%
Total		1,994	1,949				

1. As the financial statement of Dalian Ascendas IT Park is not consolidated, its rental income is excluded from the rental income of the Group.

As the leading business park operator in China, the Group is people-oriented and takes the working and living requirement of tenants into full consideration. The Group helps tenant enterprises in the business parks to build and strengthen their competitiveness and swiftly develop major businesses with enterprise services as core concept. It is the focus of the Group to establish an industrial ecosystem, thereby integrating multiple resources of those enterprises settled in the business parks to meet external demands, achieve business interconnection, create market integration and business synergy, and optimize regional industrial structure within specific industries. The Group aims to drive the growth of the city with business development and improve regional manpower structure with the pooling of industrial talents, and combining the respective strengths of "production, city and people" to enhance regional value and build a distinctive name card for the city.

The Group continuously expands its business coverage, provides a one-stop intelligent service platform for tenants in the parks, integrates high-quality resources, and provides "internet+industry" solutions and housekeeping-style services for enterprises from various industries. Taking Zhongguancun No. 1 and Dalian Software Park as pilot projects, the Group integrated supplier resources, introduced advanced technology applications, and created an intelligent park demonstration project as sample through a combination of "informatization, digitalization, intelligence, and online and offline integration" to achieve the goal of "managing business parks, servicing enterprises and gathering industries with intelligent technologies".

During the Year, a number of renowned enterprises settled in Yida's business park in Dalian, such as Japanese Rakuten, Inc. settled in Dalian Ascendas IT Park, and Dalian Joyson Purui Intelligent Car Union Technology Co., Ltd. settled in the Dalian Software Park. The Group also provided high-quality long-term services to existing tenants, such as selecting and expanding leased office areas for companies including Nomura Research Institute, Adidas Group and Colt Group. Over the years, the scale of tenants has continued to expand and supporting operations have become increasingly refined. The park helps tenants gain a foothold in Dalian and pursue comprehensive business development.

In 2019, the Group's key project of Wuhan First City was recognised as a "Wuhan Copyright Demonstration Park (Base)" and "2019 China Digital Service and Service Outsourcing Characteristic Park". The Group will continue to drive the development of next-generation information technologies such as big data, internet, 5G and artificial intelligence to form a "dual drivers 2+N" model with the new generation of information technology and intelligent health as the dual drivers and various industries as the target in the future, and become important sites for strategic planning of well-known international and domestic software and information service companies. At the same time, Wuhan First City has signed 5G Strategic Cooperation Agreement with Wuhan Telegram for the upgrade of the Business Park. As a professional business park operator, Wuhan First City has transformed and upgraded from providing basic business park service to digitalized services for enterprises located in the business park.

II. Sales of Properties

During the Year, the Group achieved contracted sales of RMB7,237 million, representing a 15.2% decrease from the corresponding period of the previous year, and the contracted sales area was 726 thousand sq.m., representing a year-on-year decrease of 1.3%. The average contracted sales price was RMB9,972 per sq.m., a 15.1% decrease from the corresponding period of the previous year, mainly due to an increased proportion of sales in Zhengzhou and different product types of sold during the Year. The majority of project sold were located in Dalian (65.8% of total contracted sales), Zhengzhou (21.7% of total contracted sales) and Changsha (6.4% of total contracted sales), of which residential property sales accounted for 72.0% of total contracted sales.

During the Year, the property sales segment recorded revenue of RMB4,464 million, representing a decrease of 25.1% as that of the corresponding period of the previous year, which was mainly due to the decrease in projects delivered during the Year. The average sales price was RMB11,517 per sq.m., representing a year-on-year increase of 7.2%, mainly due to the different structure of products carried forward during the Year and the increase in corresponding average price of each product carried forward as compared to the same period last year. Projects carried forward during the Year were mainly ordinary residential properties. Revenue-recognised projects were mainly located in Dalian (82.5% of revenue), Zhengzhou (10.2% of revenue) and Wuhan (5.0% 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, Wuhan, Zhengzhou and Changsha. 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. In the process of creating a new residential and office ecology in the area where the business park is located, benefiting from a higher-quality park environment, better supporting facilities, inelastic demand from people working within the parks and in other areas of the city and governments' support, the Group can obtain outstanding sales performance of residential and office properties. During the Year, the third and fourth phases of Wuhan First City office units, Changsha Yida & CSCEC Intelligent Technology Centre, Changsha Yida Intelligent Manufacturing Industrial Village, Zhengzhou Yida Technology New City and other projects were steadily advanced, and office buildings and residences achieved good sales performance.

Contracted Sales Details

	Contracted Sales Floor Area (sq.m.)	Contracted Sales Amount (RMB ten thousand)	Average Sales Price (RMB/sq.m.)	Percentage of Total Contracted Sales
Dalian	326,178	476,368	14,605	65.8%
Zhengzhou	262,123	157,167	5,996	21.7%
Changsha	73,890	46,322	6,269	6.4%
Wuhan	45,339	27,326	6,027	3.8%
Chongqing	8,308	7,713	9,284	1.1%
Chengdu	5,259	4,753	9,038	0.7%
Shenyang	4,663	4,058	8,703	0.5%
Total	725,760	723,707	9,972	100.0%
Dalian Software Park	4,241	1,305	3,078	0.2%
Dalian BEST City	51,651	62,102	12,024	8.6%
Yida Information Software Park	28,298	24,960	8,820	3.4%
Dalian Tiandi	157,903	306,103	19,385	42.3%
Zhengzhou Yida Technology New City	262,123	157,167	5,996	21.7%
Wuhan First City	45,339	27,326	6,027	3.8%
Changsha Yida & CSCEC Intelligent Technology Centre	14,619	13,666	9,348	1.9%
Changsha Yida Intelligent Manufacturing Industrial Village	59,271	32,656	5,510	4.5%
Chongqing Yida Innovation Plaza	8,308	7,713	9,284	1.1%
Residential Properties Outside Business Parks	94,007	90,709	9,649	12.5%
Total	725,760	723,707	9,972	100.0%
Residential Properties	403,039	521,023	12,927	72.0%
Office Properties	322,721	202,684	6,280	28.0%
Total	725,760	723,707	9,927	100.0%
Business Parks	631,752	632,998	10,020	87.5%
Residential Properties Outside Business Parks	94,008	90,709	9,649	12.5%
Total	725,760	723,707	9,972	100.0%

Descriptions of operating conditions and city-by-city analyses follow below:

Dalian

In 2019, the land market in Dalian was in a period of explosive growth. Approximately 5.5 million sq.m. of commercial and residential land was transacted during the year, a record high which represented a 175% increase over the previous year. Land transactions were recorded in a wider area. The supply and transaction volume of new urban areas such as the High-tech District and Lvshun Lushun District increased significantly, while land transactions in core urban areas shrank sharply. This indicates that it is imperative for the Dalian market to expand outside the city centre, and that the pace for "expanding westwards and northwards" of the city has been gradually accelerating. The annual turnover of the Dalian property market is appropriately 6.3 million sq.m. Although it has decreased compared to last year, the overall sales area is still above the average level of the past six years.

During the Year, policies related to Dalian real estate were tightened in some areas and loosened in some other areas. Through price adjustments, raised standards for provident fund loans and new rounds of house purchase subsidies, the market maintained stable. With heated sales in the Dalian market in recent years, regional stocks and the de-stocking period have gradually decreased, and the market condition became more stable. Market activities of trading their existing houses to buy new houses in Dalian has not diminished, and demand for improvement continues to be steadily released.

With its strong brand and customer recognition, the Group has demonstrated its capabilities to respond efficiently to market demand and maintains a stable performance by having mature parks and supportive facilities and launching in-demand landmark projects such as Yida Hekou Bay and The First County.

Zhengzhou

In 2019, Henan Province issued an "Action Plan for Promoting High-Quality Development of Industrial Agglomeration Areas of Henan Province", proposing the gathering of around 20 industry clusters with output exceeding RMB100 billion which have both competitive strengths and growth potential during the next three to five years. Industrial properties will enjoy a favourable policy and funding environment. Industrial land area in Zhengzhou continues to expand, and during the Year several projects involving cultural tourism, distinctive village and manufacturing projects were launched.

Zhengzhou Yida Technology New City of the Group will focus on the High-tech District industrial development strategy and the launch of innovative industrial headquarters products to create innovative and intelligent industrial clusters in the core area of the High-tech District, which will further help upgrade the industrial structure and increase the regional economic value of the city.

Changsha

In 2019, regulation of real estate in Changsha was relatively mild compared to the previous year, but the overall situation remained tight. During the Year, residential transactions were concentrated at Meixihu area in Yuelu District, Yuhua District and Wangcheng District, where there were adequate supply and demand. Hunan Province and Changsha channel the leading role of financial funds into service industry trade development, issuing "Notice on the Management of Special Funds for the Development of Modern Service Trade in Hunan Province" and "Notice on Management of Guide Funds for Modern Service Industry Trade in Changsha". The project application guide was refined in accordance to fund management measures and with reference to local economic and social development needs in Changsha.

Changsha Yida Intelligent Manufacturing Industrial Village, a project of the Group in Wangcheng District, was named as a "2019 Changsha Modern Service Industry Demonstration Project". It received special funding support from Changsha Modern Service Trade to aid in the development of high quality manufacturing in the Wangcheng Economic Development Zone, promote the "Changsha Model" of intelligent manufacturing, and contribute to the creation of a "National Intelligent Manufacturing Centre". Changsha Yida & CSCEC Intelligent Technology Centre at Meixihu focuses on the medical and health, information technology, cultural creativity and artificial intelligence industries, and integrates related industries such as scientific R&D to build a whole industry chain, low-carbon green ecosystem, and a dynamic and diverse full life-cycle service system. In the future, the Centre will host a number of Fortune Global 500 and domestic top 500 companies to build a leading domestic intelligent industry cluster covering financial business, intelligent health and R&D headquarters zones.

III. Business Park Operation and Management

As of 31 December 2019, the Group had a total of 32 business park projects under its operation and management, and the total area of entrusted operations and management was approximately 5.06 million sq.m., with revenue generated from business park operations and management amounting to RMB42.15 million, representing a year-on-year decrease of 32.9%, mainly due to the gradual withdrawal of some existing projects that met the completion conditions during the Year, and the revenue from newly added projects has not yet been recognised.

In 2019, the Group carried out the preliminary planning for "Five Regions and Fifty Cities" focusing on Beijing-Tianjin-Hebei, the Yangtze River Delta, the Midwest Economic Zone, the Guangdong-Hong Kong-Macao Greater Bay Area and economically active provinces and municipalities, implemented new business models to expand the scale of business operations, and recruited a number of new tenants, including Fortune Global 500 companies, unicorn enterprises, top 100 companies from various industries, and listed companies. As of the end of the Year, over 800 companies had settled in the business parks. The Company has established a preliminary framework for industrial operational services and laid a solid foundation for the intelligent industrial services platform of Yida.

The Group continued to improve its tenant recruitment team's ability to strengthen business cooperation and customer reserves and complete tenant recruitment for delivered projects. In addition to satisfying the basic needs of tenants in the park, the Group also provide enterprises with high-quality, convenient, cost-effective products and services via a global service provider alliance using the internet platform.

The Group has developed a mechanism for self-growth of its business parks through a systematic tenant recruitment and settlement system. By thoroughly analyzing the requirements of individual industries, the Group has established a highly targeted tenant recruitment plan supplemented by the existing tenants' sound development and reputation established in the field, and has successfully attracted tenants' upstream and downstream enterprises to form a complete and mature ecosystem. During the Year, the Group entered agreement with several high-tech industry projects including JD Cloud (Dongying) Digital Economy Industrial Park, Wuhan Future Technology City Silicon Valley Town, Guangdong Raycome Health Technology Co., Ltd., Guiyang Orbit Satellite Big Data Industry Park, Guanghua Innovation Centre, and offered brand output, project expansion, tenant recruitment and operations and other services.

The following table shows the Group's entrusted operation and management projects:

	Status	City	Project Name	Contracted Area *(thousand sq.m.)*	Operation Mode
1	Stock in 2018	Shanghai	Yida North Hongqiao Entrepreneur Park	48.0	Tenant recruitment and operation
2		Suzhou	Suzhou High-Speed Rail New City	255.5	Tenant recruitment and operation and incubator
3		Shenzhen	Haikexing Sinovac Strategic Emerging Industrial Park	70.6	Tenant recruitment and operation
4		Chengdu	Western Beidou Industrial Park	700.0	Tenant recruitment and operation
5		Hefei	Hefei City Luyang Big Data Industry Park	242.6	Tenant recruitment and operation
6		Mianyang	Phase One of China (Mianyang) Technology City Software Industry Park	62.6	Tenant recruitment and operation
7		Harbin	Harbin-Israel International High & New Technology Incubator Complex Industrial Park	89.0	Tenant recruitment and operation
8		Beijing	Yida Lize Centre	41.0	Charter
9		Shanghai	Yida Waigaoqiao Business Park	13.9	Charter
10		Chongqing	Liangjiang Science and Technology City (Phase I)	195.3	Sales agent, tenant recruitment and operation
11		Chongqing	Liangjiang Science and Technology City (Phase II)	210.0	Sales agent, tenant recruitment and operation
12		Xi'an	Collaborative Innovation Port of Feng Dong New Town	200.0	Tenant recruitment and operation
13		Beijing	Zhongguancun No. 1	497.8	Tenant recruitment and operation
14		Nanjing	Mufu Green Intelligent Town	440.0	Tenant recruitment and operation
15		Suzhou	Taicang Port Gangcheng Square	164.2	Tenant recruitment and operation
16		Shijiazhuang	Hebei Junding Industrial Park	600.0	Tenant recruitment and operation
17	Newly added in 2019	Gaomi	Gaomi Yiyue Health Industrial Park	–	Brand promotion
18		Chuzhou	Chuzhou Innovative Science and Technology City	211.6	Tenant recruitment and operation
19		Zhuzhou	Zhuzhou Geckor China Power Valley	245.8	Tenant recruitment and operation
20		Yibin	HIT (Yibin) Technology Park	150.0	Tenant recruitment and operation
21		Chongqing	Chongqing Gangcheng Industrial Park	200.0	Tenant recruitment and operation
22		Dongying	JD Cloud (Dongying) Digital Economy Industrial Park	2.3	Tenant recruitment and operation
23		Qingdao	Pingdu Industrial Park of Shift in Driving Forces	132.0	Tenant recruitment and operation
24		Yingkou	Huahai International Building	30.0	Tenant recruitment and operation
25		Zhongshan	Guangzhou Raycome Health Technology Co., Ltd.	33.9	Tenant recruitment and operation
26		Shenzhen	Mingxi Industry Park	30.0	Tenant recruitment and operation
27		Xuchang	To Be Determined	175.0	Tenant recruitment and operation
28		Wuhan	Wuhan Future Technology City Silicon Valley Town	–	Consultation services
29		Mianyang	Mianyang Technology Building	12.0	Tenant recruitment and operation
30		Chengdu	Guanghua Innovation Centre	10.5	Tenant recruitment and operation
31		Guiyang	Aotai Plaza	–	Consultation services
32		Guiyang	Guiyang Orbita Satellite Dig Data Industry Park	–	Consultation services
Total				5,063.6	

IV. Construction, Decoration and Landscaping

During the Year, the construction, decoration and landscaping businesses recorded revenue of RMB384.32 million, representing an increase of 20.6% 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. It was appraised by governments from all levels for a number of times and was awarded as an outstanding construction enterprise in China and in Liaoning Province.

The Group continued to strengthen its capabilities in construction, decoration and landscaping to enable it to undertake external projects for stable recurring revenue while supporting the Group's internal business development. During the Year, the business team undertook a number of key construction projects, among which the Longfor-Yango Masion project ranked in the top five in third-party evaluations, effectively contributing to the business team's further negotiations for multiple projects, which significantly speeded up nationwide expansion of the Group's business segments. Following the Group's expansion across the country, the segment has set foot in six major capital cities and engaged in strategic cooperation with a number of large real estate companies. During the Year, the Group won the bidding for the Guangzhou Capitaland Ascendas Park residential project, marking the enterance to the first-tier cities construction market for the first time.

The business team will comprehensively push forward the core businesses of office space, public and bulk projects, explore effective methods of project management and integrate industry chain resources to increase the profitability of projects and strengthen the supervision and control of implementation processes to ensure the achievement of annual operating performance indicators and targets. With an increased number of projects being undertaken in differenct regions, the Group continued to improve its safety controls, pursue high quality and precision construction, and issued updated "Implementation Rules for Quality and Safety Management of Projects outside Dalian" and "Quality Control and Inspection Standard Manual" to strengthen the platform's control over projects. More frequent inspections and joint inspections of projects were made to ensure the implementation of security standards. Cost control was also strengthened to enhance the Group's overall competitiveness as it expands across the country.

V. Property Management

During the Year, the Group's property management business recorded revenue of RMB632.79 million, representing an increase of 17.4% from the corresponding period of the previous year, mainly due to the increase in property management projects and supporting service income. With the customer satisfaction as our service aim, the property management business operates under the concept of "improving service levels, increasing performance, and expanding business". Through establishing platforms of informatisation and digitalisation, the Group will enrich the property management portfolio and gradually transform to intelligent servicing.

As of 31 December 2019, the Group's property management business covered 13 key cities across China and was awarded with a number of honours. These included placings in the "2019 Top 50 Brand Value in Property Services Enterprises", being named as an "Intelligent Park Service 2019 Special Property Service Brand Enterprise", an 18th place ranking in the "2019 Top 100 Comprehensive Strength of Property Service Enterprises", and recognition as one of the "2019 TOP 100 Influential Wechat Official Account by Property Management Companies Media Evaluation in China" as appraised by the China Property Management Association.

Residential Property Management

During the Year, the Group operated seven new residential property projects with an additional operation area of 1.31 million sq.m. Its total of 75 residential property projects under operation comprised an operation area of 11.38 million sq.m. With systems such as E-family APP2.0, the cloud platform of Yida property intelligent management, the Group strives to explore novel property management models and improve property owners' satisfaction while it expands its value-added services. The latter include the building of a "rainforest scheme" business chain, and services such as high-end elderly care, "Puyang Fanghua", new retail in the community, "Yida Select", "Yida Realtor", community education "UU elephant" and high-end household service were launched, aiming to create a safe, secure, efficient, convenient and harmonious community service environment.

During the Year, Yida Elderly Care – Puyang Fanghua Blue Mountain International Nursing Centre officially opened and received the first group of elderly residence. The Centre provides services such as day-to-day care, nursing, healthcare and diet planning, and features Japanese elderly care concepts and service standards. It strives to establish Puyang Fanghua as a top-class elderly care brand. In December, the Fifth County, a project under management of the Group's property service, was recognised as a "2019 Liaoning Province Property Service Benchmarking Project".

Office Property Management

During the Year, the Group operated five new office property management projects with an additional area under management of 1.14 million sq.m. and a total gross floor area under operation of 4.09 million sq.m. The Group strengthened its presence in cities like Dalian, Hangzhou, Wuhan, Shenyang and Zhengzhou, making steady progress towards its objective of countrywide coverage. At the same time, with over 20 years of experience in developing and operating business parks and serving Fortune Global 500 enterprises, the Group focused on improving client satisfaction and expanding and accumulating business parks, government agencies, universities and other client resources.

Supported by Yida Yuntu's all-senario comprehensive solutions, digital visualisation applications, intelligent asset management, industry service platforms and the park IOT platform, the Group establishes core management and control systems such as customer service, equipment, energy consumption, occupancy and cost management with "industry serving, management improvement" as its core. Based on big data analysis and IOT technology, the Group builds an industrial trinity ecosystem comprising buildings, customers and services. The Group has built a professional technical team to create a one-stop service, improve the efficiency of office property management and operation, and enhance competitiveness to provide quality services for its clients in the creation of a more comfortable working environment.

VI. Land Reserves

As of 31 December 2019, the total floor area of the Group's land reserves was approximately 9.61 million sq.m. while the floor area of land reserves attributable to the Group was approximately 8.15 million sq.m.. The concentration of land reserves further decreased; Dalian accounted for 67.5%, a 2.3 percentage point decrease compared with that of the end of the previous year, and the Group completed the business planning in Changsha, Zhengzhou, Chongqing and other key cities to implement its nationwide deployment strategy.

The Group continued to regard "city-industrial integration" project development as its core business. In June, the Group won the bid for the second phase of Zhengzhou Technology New City in Zhengzhou High-tech Zone and reached a business park purchase agreement with the local government to jointly empower new industrial development in the city.

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, and supplement saleable resources, including but not limited to business parks, standalone office and residential properties, and urban complex projects.

The following table sets outlines the Group's land reserve breakdown as of 31 December 2019:

By City	**Total GFA of Land Reserves** *(sq.m.)*	**Proportion**	Attributable GFA of Land Reserves *(sq.m.)*	Proportion
Dalian	6,487,108	67.5%	5,861,420	71.9%
Changsha	1,183,505	12.3%	767,830	9.4%
Wuhan	763,280	7.9%	381,640	4.7%
Zhengzhou	654,900	6.8%	654,900	8.0%
Hefei	288,191	3.0%	288,191	3.5%
Chengdu	126,784	1.3%	86,393	1.1%
Chongqing	103,250	1.1%	103,250	1.3%
Shenyang	5,460	0.1%	5,460	0.1%
Total	9,612,478	100.0%	8,149,084	100.0%

By Location	**Total GFA of Land Reserves** *(sq.m.)*	**Proportion**	Attributable GFA of Land Reserves *(sq.m.)*	Proportion
Within Business Parks	7,711,472	80.2%	6,727,289	82.6%
Outside Business Parks	1,901,006	19.8%	1,421,795	17.4%
Total	9,612,478	100.0%	8,149,084	100.0%

Projects Within/ Outside Business Parks	Equity Held by the Group	GFA Completed Remaining Saleable/ Leasable *(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%	92,183	–	–
Subtotal	100%	687,121	–	–
Dalian BEST City				
Office	100%	131,440	182,317	491,888
Residential	100%	286,185	8,149	–
Subtotal	100%	417,625	190,466	491,888
Wuhan First City				
Office	50%	252,353	73,941	434,560
Residential	50%	2,427	–	–
Subtotal	50%	254,780	73,941	434,560
Yida Information Software Park				
Office	100%	149,014	–	118,798
Residential	100%	351,572	113,913	–
Subtotal	100%	500,586	113,913	118,798
Dalian Ascendas IT Park				
Office	50%	202,530	–	91,918
Subtotal	50%	202,530	–	91,918
Dalian Tiandi				
Office	100%	450,894	171,761	1,020,175
Residential	100%	182,033	267,717	–
Subtotal	100%	632,927	439,478	1,020,175

Projects Within/ Outside Business Parks	Equity Held by the Group	GFA Completed Remaining Saleable/ Leasable *(sq.m.)*	GFA Under Development *(sq.m.)*	GFA Held for Future Development *(sq.m.)*
Chengdu Tianfu Intelligent Transportation Science and Technology City				
Office	60%	–	99,111	–
Subtotal	60%	–	99,111	–
Changsha Yida & CSCEC Intelligent Technology Centre				
Office	51%	–	207,182	111,886
Subtotal	51%	–	207,182	111,886
Changsha Yida Intelligent Manufacturing Industrial Village				
Office	70%	–	108,254	303,948
Residential	70%	–	452,235	–
Subtotal	70%	–	560,489	303,948
Zhengzhou Yida Technology New City				
Office	100%	–	2,361	652,539
Subtotal	100%	–	2,361	652,539
Chongqing Yida Innovation Plaza				
Office	100%	–	103,250	–
Subtotal	100%	–	103,250	–
Projects Within Business Parks Subtotal		2,695,569	1,790,191	3,225,712

Projects Within/ Outside Business Parks	Equity Held by the Group	GFA Completed Remaining Saleable/ Leasable *(sq.m.)*	GFA Under Development *(sq.m.)*	GFA Held for Future Development *(sq.m.)*
Projects Outside Business Parks				
Dalian	25%-100%	414,771	566,205	598,705
Chengdu	80%-100%	23,937	–	3,737
Shenyang	100%	5,460	–	–
Hefei	65%	–	–	288,191
Projects Outside Business Parks Subtotal		444,168	566,205	890,633
Total		3,139,737	2,356,396	4,116,345

VII. Impact of the Edpidemic

Following the outbreak of Coronavirus Disease 2019 ("the COVID-19 outbreak") in early 2020, a series of precautionary and control measures have been implemented across the PRC, including home quarantines, travel restrictions and work suspensions of various government departments, enterprises and individuals. It has affected the business and economic activities of the Group to certain extent. Although most of the Group's construction of properties projects and operation of business parks have been resuming, the COVID-19 outbreak would possibly affect sales of properties and signing of new contracts for the rental. In addition, the fair value of investment properties may also be affected in the future. The Group will pay close attention to the development of the COVID-19 outbreak and evaluate its impact on the financial position and operating results of the Group.

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 RMB6,077.40 million, representing a decrease of 17.4% 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			
	2019		2018	
	Amount RMB'000	**% of total amount**	Amount RMB'000	% of total amount
Sales of properties	**4,463,520**	**73.4%**	5,957,781	81.0%
Rental income	**554,622**	**9.1%**	478,598	6.5%
Business park operation and management services income	**42,149**	**0.7%**	62,842	0.9%
Construction, decoration and landscaping income	**384,323**	**6.3%**	318,599	4.3%
Property management income	**632,786**	**10.5%**	539,138	7.3%
Total	**6,077,400**	**100.0%**	7,356,958	100.0%

(1) Income from sales of properties

The Group's income arising from sales of residential properties within and outside business parks and office properties for the Year was RMB4,463.52 million, representing a decrease of 25.1% from the corresponding period of last year, which was mainly due to the decrease in projects delivered 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 RMB554.62 million, representing an increase of 15.9% from the corresponding period of last year, which was mainly attributable to the increase in the leased area during the Year.

(3) Business park operation and management services income

During the Year, the income arising from business park operation and management services provided by the Group amounted to RMB42.15 million, representing a decrease of 32.9% from the corresponding period of last year, which was mainly attributable to the gradual withdrawal of some existing projects that met the completion conditions during the Year, and the income from newly added projects has not yet been recognised.

(4) Construction, decoration and landscaping income

During the Year, the income from construction, decoration and landscaping services provided by the Group amounted to RMB384.32 million, representing an increase of 20.6% 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 RMB632.79 million, representing an increase of 17.4% from the corresponding period of last year, which was mainly attributable to the increase in property management projects and supporting service income.

Cost of Sales

The cost of sales of the Group during the Year amounted to RMB3,946.80 million, representing a decrease of 25.6% from the corresponding period of last year, which was mainly attributable to the decrease in projects delivered during the Year.

Gross Profit and Gross Profit Margin

The gross profit provided by the Group during the Year amounted to RMB2,130.60 million, representing an increase of 3.9% from the corresponding period of last year, the gross profit margin increased to 35.1% during the Year from 27.9% in the corresponding period of 2018, which was mainly attributable to different structure of products carried forward during the Year and the increase 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 increased by 7.9% to RMB208.09 million for the Year from RMB192.89 million in the corresponding period of 2018, which was mainly due to the increase in advertising expenses and agency fee during the Year.

Administrative Expenses

The administrative expenses of the Group increased by 3.6% to RMB520.80 million for the Year from RMB502.70 million in the corresponding period of 2018, which was mainly due to the expansion of business scale.

Increase in Fair Value on Investment Properties

The fair value gains on investment properties of the Group increased to RMB147.40 million during the Year from RMB6.59 million in the corresponding period of 2018, which was mainly due to the increase in completion of properties under construction during the Year.

Finance Costs – net

The net finance costs of the Group increased to RMB683.10 million during the Year from RMB659.85 million in the corresponding period of 2018, which was primarily attributable to the increase in interest expenses.

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 RMB669.31 million, which was more or less at the same level in the last year.

Profit for the Year

As a result of the foregoing, the pre-tax profit of the Group decreased by 12.0% to RMB1,307.41 million during the Year from RMB1,485.14 million in the corresponding period of 2018.

The net profit of the Group decreased by 20.6% to RMB638.10 million during the Year from RMB803.59 million in the corresponding period of 2018.

The net profit attributable to equity owners decreased by 46.0% to RMB450.16 million during the Year from RMB833.92 million in the corresponding period of 2018.

The core profit attributable to equity owners (excluding effects of fair value gains on investment properties, net of tax) decreased to RMB339.62 million during the Year from RMB828.98 million in the corresponding period of 2018.

LIQUIDITY, FINANCIAL AND CAPITAL RESOURCES

Cash Position

As at 31 December 2019, the Group had cash and bank balances (including restricted cash of approximately RMB1,006.86 million) of approximately RMB2,039.52 million (31 December 2018: cash and bank balances of approximately RMB1,806.26 million, including restricted cash of approximately RMB728.49 million).

Debts

As at 31 December 2019, the Group had bank and other borrowings of approximately RMB15,015.73 million (31 December 2018: approximately RMB17,026.73 million), of which:

(1) By Loan Type

	31 December 2019	31 December 2018
	RMB'000	*RMB'000*
Secured bank loans	**7,238,861**	7,870,955
Secured other borrowings	**4,817,646**	4,850,185
Unsecured other borrowings	**2,959,218**	4,305,585
	15,015,725	17,026,725

(2) By Maturity Date

	31 December 2019	31 December 2018
	RMB'000	*RMB'000*
Within one year or on demand	**13,869,059**	12,651,205
In the second year	**1,146,666**	4,009,332
In the third to fifth year	**–**	366,188
	15,015,725	17,026,725

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 103.5% as at 31 December 2019, which decreased by 25.1 percentage points as compared to 128.6% as at 31 December 2018.

DIVIDENDS

The final cash dividend of RMB8 cents per share for the year ended 31 December 2017 (the "**2017 Final Dividend**") was originally payable on or around 18 July 2018 to the shareholders of the Company whose names appear on the register of members of the Company on 25 June 2018. The declaration of the 2017 Final Dividend was approved at the annual general meeting of the Company held on 14 June 2018. The 2017 Final Dividend was paid to the eligible shareholders by the Company on 12 February 2020.

Please also refer to the announcements of the Company dated 26 March 2018, 14 June 2018, 28 September 2018, 28 December 2018, 29 March 2019, 12 April 2019, 25 June 2019, 30 December 2019 and 12 February 2020.

The Board does not recommend any payment of final dividend for the year ended 31 December 2019.

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 24 October 2019, Wuhan New Software Park Development Company Limited* (武漢軟件新城發展有限公司), a non-wholly owned subsidiary of the Company (the "**Vendor**") and Wuhan Hesheng Wenlv Development Co., Ltd.* (武漢和晟文旅發展有限公司) (the "**Purchaser**"), among others, entered into the disposal agreement, pursuant to which the Vendor agreed to dispose, and the Purchaser agreed to purchase the entire equity interest of Wuhan Springfield Real Estate Development Co., Ltd.* (武漢春田房地產開發有限公司) (the "**Target Company**"), together with the outstanding liabilities at the consideration of RMB870,000,000. The Target Company is principally engaged in real estate development in the PRC and owned the project of the second residential phase of the Wuhan Software New Town (武漢軟件新城) as at the date of the disposal agreement. Please refer to the announcement of the Company dated 24 October 2019 for details.

Save as disclosed above, during the year, the Group had no material acquisitions or disposals of subsidiaries and affiliated companies.

SUBSEQUENT EVENTS

On 17 April 2017, the Company issued the Existing Notes in an aggregate principal amount of US$300,000,000, which will be due in 2020. On 26 February 2020, the Company commenced the offer exchange in accordance with the terms of the offer exchange and consent solicitation memorandum. On 27 March 2020, the exchange offer and consent solicitation were completed. The Existing Notes of USD247,146,000 which were effectively submitted and accepted in accordance with the exchange offer and consent solicitation, have been cancelled and converted into new notes. The new notes are listed on the SGX. Upon relevant cancellation, the remaining principal amount of the Existing Notes was USD52,854,000. For details, please refer to the announcements of the Company dated 26 February 2020, 2 March 2020, 10 March 2020, 17 March 2020, 24 March 2020 and 27 March 2020.

Mr. Chen Donghui ("Mr. Chen"), an executive director, was recently summaried and detained by the Public Security Bureau for suspected embezzlement in accordance with the laws of the PRC. The Board resolved on 12 March 2020 to suspend all administrative and executive duties and powers of Mr. Chen as an executive director. On 31 March 2020, the Board (save and except for Mr. Chen) resolved to convene a general meeting of the Company in accordance with the Articles of Association of the Company for the purpose of considering the removal of Mr. Chen from the position of executive director. Please refer to the announcements of the Company dated 20 February 2020, 23 February 2020, 12 March 2020 and 31 March 2020.

REVIEW OF UNAUDITED ANNUAL RESULTS

The auditing process for the annual results for the year ended 31 December 2019 has not been completed due to the COVID-19 coronavirus outbreak. The unaudited annual results contained herein have not been agreed with the Company's auditor as required under Rule 13.49(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited. An announcement relating to the audited results will be made when the auditing process has been completed in accordance with Hong Kong Standards on Auditing issued by Hong Kong Institute of Certified Public Accountants. The unaudited annual results contained herein have been reviewed by the audit committee of the Company.

FURTHER ANNOUNCEMENT(S)

Following the completion of the auditing process, the Company will issue further announcement(s) in relation to the audited results for the year ended 31 December 2019 as agreed by the Company's auditor and the material differences (if any) as compared with the unaudited annual results contained herein. In addition, the Company will issue further announcement as and when necessary if there are other material development in the completion of the auditing process. The Company expects the auditing process will be completed on or before 30 April 2020 and in any event no later than 14 May 2020.

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 2019, together with the circular containing, among other things, information relating to (i) the proposed removal of Mr. Chen from the position of executive director; and (ii) the notice convening the AGM together with proxy form, will be dispatched to shareholders of the Company and available on the above websites in due course.

The unaudited financial information contained herein in respect of the unaudited annual results of the Group have not been audited and have not been agreed with the auditor. Shareholders and potential investors of the Company are advised to exercise caution when dealing in the securities of the Company.

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

Hong Kong, 31 March 2020

As at the date of this announcement, the executive directors of the Company are Mr. Jiang Xiuwen, Mr. Chen Donghui, Ms. Zheng Xiaohua, Mr. Yu Shiping and Mr. Xu Beinan, the non-executive directors of the Company are Mr. Wang Gang, Mr. Zong Shihua and Mr. Zhou Yaogen and the independent non-executive directors of the Company are Mr. Yip Wai Ming, Mr. Guo Shaomu, Mr. Wang Yinping and Mr. Han Gensheng.