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Radiance Holdings (Group) Company Limited

金輝控股(集團)有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 9993)

ANNOUNCEMENT OF ANNUAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2021

RESULTS HIGHLIGHTS

- Contracted sales for 2021 amounted to approximately RMB94,720,000,000 with contracted gross floor area sold of approximately 5,790,000 square meters. The contracted average selling price amounted to approximately RMB16,359 per square meter.
- Revenue amounted to approximately RMB40,020,000,000, representing an increase of approximately 14.8% as compared with the corresponding period in 2020.
- Gross profit for the year was approximately RMB7,750,000,000, representing an increase of approximately 0.4% as compared with the corresponding period in 2020.
- Profit attributable to the owners of the Company was approximately RMB3,270,000,000, representing an increase of approximately 4.7% as compared with the corresponding period in 2020.
- Weighted average cost of indebtedness was 6.58%, representing a decrease 0.89 percentage point as compared with the corresponding period in 2020.
- Deposits received from customers (contract liabilities) were approximately RMB72,460,000,000 as at 31 December 2021, representing a year-on-year increase of approximately 4.9%.
- Net gearing ratio was 88.0% as at 31 December 2021.
- Cash to current borrowings ratio was 1.2 as at 31 December 2021.
- Assets to liabilities ratio after excluding receipts in advance was 68.5% as at 31 December 2021.
- The Board proposed a final dividend for of HK0.16 dollars (equivalent to RMB0.13) per ordinary share, subject to approval by the Shareholders at the 2022 AGM.

ANNUAL RESULTS

The board (the “**Board**”) of directors (the “**Directors**”) of Radiance Holdings (Group) Company Limited (the “**Radiance Holdings**” or “**Company**”) is pleased to announce the audited consolidated results of the Company and its subsidiaries (collectively the “**Group**”, “**we**”, “**our**” or “**us**”) for the year ended 31 December 2021 (the “**Year**”) with comparative figures for the preceding financial year as follows:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

Year ended 31 December 2021

		2021	2020
	<i>Notes</i>	<i>RMB'000</i>	<i>RMB'000</i>
REVENUE	3	40,025,826	34,875,174
Cost of sales		<u>(32,278,375)</u>	<u>(27,162,266)</u>
Gross profit		7,747,451	7,712,908
Other income and gains	3	183,846	436,406
Selling and distribution expenses		(1,449,318)	(1,152,834)
Administrative expenses		(1,195,415)	(1,196,128)
Finance income		183,478	95,302
Finance costs	4	(349,885)	(525,246)
Other expenses		(44,875)	(80,592)
Fair value gains on investment properties		656,986	437,006
Fair value losses on financial assets at fair value through profit or loss		(6,085)	(77)
Share of profits and losses of:			
Joint ventures		98,366	992,533
Associates		641,082	(182,519)
PROFIT BEFORE TAX	5	6,465,631	6,536,759
Income tax expense	6	(2,771,936)	(2,717,686)
PROFIT FOR THE YEAR		<u>3,693,695</u>	<u>3,819,073</u>

	<i>Notes</i>	2021 <i>RMB'000</i>	2020 <i>RMB'000</i>
OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF TAX		<u>—</u>	<u>—</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>3,693,695</u>	<u>3,819,073</u>
Attributable to:			
Owners of the parent		<u>3,274,774</u>	<u>3,127,526</u>
Non-controlling interests		<u>418,921</u>	<u>691,547</u>
		<u>3,693,695</u>	<u>3,819,073</u>
EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT			
Basic and diluted earnings per share	8	<u>RMB0.81 yuan</u>	<u>RMB0.89 yuan</u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2021

	<i>Notes</i>	2021	2020
		RMB'000	RMB'000
NON-CURRENT ASSETS			
Property, plant and equipment		518,174	354,532
Right-of-use assets		778,769	121,185
Investment properties		13,939,800	10,952,600
Intangible assets		18,773	17,609
Investments in joint ventures		3,068,915	2,461,115
Investments in associates		5,395,080	4,911,875
Financial assets at fair value through profit or loss		105,519	110,300
Deferred tax assets		2,944,990	2,884,290
Other non-current assets		1,402,644	1,402,644
Total non-current assets		28,172,664	23,216,150
CURRENT ASSETS			
Properties under development		106,108,703	103,990,664
Completed properties held for sale		12,246,662	12,450,866
Trade receivables	9	53,467	24,191
Contract cost assets		945,195	771,064
Due from related parties		8,639,706	7,314,208
Prepayments, other receivables and other assets		14,683,828	10,455,096
Tax recoverable		990,244	814,489
Financial assets at fair value through profit or loss		78,357	33,808
Pledged deposits		850,000	438,433
Cash and bank balances		18,878,486	26,152,219
Total current assets		163,474,648	162,445,338
CURRENT LIABILITIES			
Trade payables	10	13,603,572	12,922,569
Other payables and accruals		2,736,127	2,890,303
Contract liabilities		72,460,294	69,086,961
Due to related parties		4,978,342	4,604,199
Tax payable		4,864,788	3,783,703
Interest-bearing bank and other borrowings		9,504,033	9,734,431
Proceeds from asset-backed securities		65,705	770,798
Senior notes		2,650,016	1,745,743
Corporate bonds		4,572,592	7,056,468
Lease liabilities within one year		11,618	15,637
Total current liabilities		115,447,087	112,610,812
NET CURRENT ASSETS		48,027,561	49,834,526
TOTAL ASSETS LESS CURRENT LIABILITIES		76,200,225	73,050,676

	2021	2020
<i>Notes</i>	<i>RMB'000</i>	<i>RMB'000</i>
NON-CURRENT LIABILITIES		
Interest-bearing bank and other borrowings	26,659,490	25,868,005
Proceeds from asset-backed securities	5,253,870	2,690,573
Senior notes	1,891,050	3,549,874
Corporate bonds	2,197,450	2,358,100
Lease liabilities	5,333	7,402
Deferred tax liabilities	2,621,327	2,464,316
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Total non-current liabilities	38,628,520	36,938,270
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Net assets	37,571,705	36,112,406
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EQUITY		
Equity attributable to owners of the parent		
Share capital	35,095	35,095
Reserves	23,602,105	21,527,316
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	23,637,200	21,562,411
	<hr/>	<hr/>
Non-controlling interests	13,934,505	14,549,995
	<hr/>	<hr/>
Total equity	37,571,705	36,112,406
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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1.1 BASIS OF PREPARATION

These financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRSs”) (which include all standards and interpretations, International Accounting Standards (“IASs”) and Standing Interpretations Committee interpretations) approved by the International Accounting Standards Board (the “IASB”) and the disclosure requirements of the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention, except for investment properties and financial assets at fair value through profit or loss which have been measured at fair value. These financial statements are presented in Renminbi (“RMB”) and all values are rounded to the nearest thousand except when otherwise indicated.

Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries (collectively referred to as the “Group”) for the year ended 31 December 2021. A subsidiary is an entity (including a structured entity), directly or indirectly, controlled by the Company. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee (i.e., existing rights that give the Group the current ability to direct the relevant activities of the investee).

When the Company has, directly or indirectly, less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- (a) the contractual arrangement with the other vote holders of the investee;
- (b) rights arising from other contractual arrangements; and
- (c) the Group’s voting rights and potential voting rights.

The financial statements of the subsidiaries are prepared for the same reporting period as the Company, using consistent accounting policies. The results of subsidiaries are consolidated from the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases.

Profit or loss and each component of other comprehensive income are attributed to the owners of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control described above. A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it derecognises (i) the assets (including goodwill) and liabilities of the subsidiary, (ii) the carrying amount of any non-controlling interest and (iii) the cumulative translation differences recorded in equity; and recognises (i) the fair value of the consideration received, (ii) the fair value of any investment retained and (iii) any resulting surplus or deficit in profit or loss. The Group's share of components previously recognised in other comprehensive income is reclassified to profit or loss or retained profits, as appropriate, on the same basis as would be required if the Group had directly disposed of the related assets or liabilities.

1.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The Group has adopted the following revised IFRSs for the first time for the current year's financial statements.

Amendment to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16	Interest Rate Benchmark Reform – Phase 2
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Amendment to IFRS 16	Covid-19-Related Rent Concessions beyond 30 June 2021 (early adopted)
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The nature and the impact of the the revised IFRSs are described below:

- (a) Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 address issues not dealt with in the previous amendments which affect financial reporting when an existing interest rate benchmark is replaced with an alternative risk-free rate (“**RFR**”). The amendments provide a practical expedient to allow the effective interest rate to be updated without adjusting the carrying amount of financial assets and liabilities when accounting for changes in the basis for determining the contractual cash flows of financial assets and liabilities, if the change is a direct consequence of the interest rate benchmark reform and the new basis for determining the contractual cash flows is economically equivalent to the previous basis immediately preceding the change. In addition, the amendments permit changes required by the interest rate benchmark reform to be made to hedge designations and hedge documentation without the hedging relationship being discontinued. Any gains or losses that could arise on transition are dealt with through the normal requirements of IFRS 9 to measure and recognise hedge ineffectiveness.

The amendments also provide a temporary relief to entities from having to meet the separately identifiable requirement when an RFR is designated as a risk component. The relief allows an entity, upon designation of the hedge, to assume that the separately identifiable requirement is met, provided the entity reasonably expects the RFR risk component to become separately identifiable within the next 24 months. Furthermore, the amendments require an entity to disclose additional information to enable users of financial statements to understand the effect of interest rate benchmark reform on an entity's financial instruments and risk management strategy.

The Group had certain interest-bearing bank and other borrowings denominated in RMB and foreign currencies based on the Inter Bank Offered Rate as at 31 December 2021. Since the interest rates of these borrowings were not replaced by RFRs during the period, the amendments did not have any impact on the financial position and performance of the Group. If the interest rates of these borrowings are replaced by RFRs in a future period, the Group will apply the above-mentioned practical expedient upon the modification of these instruments provided that the "economically equivalent" criterion is met. Additional information about the transition and the associated risks is disclosed in note 45 to the financial statements.

- (b) Amendment to IFRS 16 issued in March 2021 extends the availability of the practical expedient for lessees to elect not to apply lease modification accounting for rent concessions arising as a direct consequence of the covid-19 pandemic by 12 months. Accordingly, the practical expedient applies to rent concessions for which any reduction in lease payments affects only payments originally due on or before 30 June 2022, provided the other conditions for applying the practical expedient are met. The amendment is effective retrospectively for annual periods beginning on or after 1 April 2021 with any cumulative effect of initially applying the amendment recognised as an adjustment to the opening balance of retained profits at the beginning of the current accounting period. Earlier application is permitted. The amendments did not have any impact on the financial position and performance of the Group as the Group does not have any rent concessions arising as a direct consequence of the covid-19 pandemic for the year ended 31 December 2021.

2. OPERATING SEGMENT INFORMATION

Management monitors the operating results of the Group's business which includes property development, property leasing, and the provision of management consulting services. Property leasing and the provision of management consulting services are not significant in revenue contribution. Thus, property development is the only reportable operating segment of the Group, and no further operating segment analysis thereof is presented.

Geographical information

No geographical information is presented as the Group's revenue from the external customers is derived solely from its operation in Mainland China and no non-current assets of the Group are located outside Mainland China.

Information about major customers

No revenue from sales to a single customer or a group of customers under common control accounted for 10% or more of the Group's revenue at the end of the reporting period.

3. REVENUE, OTHER INCOME AND GAINS

An analysis of revenue is as follows:

	2021 <i>RMB'000</i>	2020 <i>RMB'000</i>
Revenue from contracts with customers	39,628,765	34,538,561
Revenue from other sources		
Property lease income	<u>397,061</u>	<u>336,613</u>
	<u><u>40,025,826</u></u>	<u><u>34,875,174</u></u>

	2021 <i>RMB'000</i>	2020 <i>RMB'000</i>
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Revenue from contracts with customers

(a) Disaggregated revenue information

Types of goods or services:

Sale of properties	39,521,551	34,380,524
Management consulting services	<u>107,214</u>	<u>158,037</u>
Total revenue from contracts with customers	<u><u>39,628,765</u></u>	<u><u>34,538,561</u></u>

Timing of revenue recognition:

Properties transferred at a point in time	39,521,551	34,380,524
Services transferred over time	<u>107,214</u>	<u>158,037</u>
Total revenue from contracts with customers	<u><u>39,628,765</u></u>	<u><u>34,538,561</u></u>

The following table shows the amounts of revenue recognised in the current reporting period that were included in the contract liabilities at the beginning of the reporting period and recognised from performance obligations satisfied in previous periods:

Revenue recognised that was included in contract liabilities at the beginning of the reporting period:

Sale of properties	<u><u>34,496,982</u></u>	<u><u>26,381,422</u></u>
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(b) Performance obligations

Information about the Group's performance obligations is summarised below:

Sale of properties

The performance obligation is satisfied upon delivery of the properties and the Group has already received the payment or has the right to receive the payment probably.

Management consulting services

For management consulting services, the Group recognises revenue in the amount that equals to the right to invoice which corresponds directly with the value to the customer of the Group's performance to date. The Group has elected the practical expedient not to disclose the remaining performance obligations for these types of contracts. The majority of the management consulting service contracts do not have a fixed term. The term of the contracts for pre-delivery and consulting services is generally set to expire when the counterparties notify the Group that the services are no longer required.

The amounts of transaction prices allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) as at 31 December are as follows:

	2021 <i>RMB'000</i>	2020 <i>RMB'000</i>
Amounts expected to be recognised as revenue:		
Within one year	40,981,213	42,795,431
After one year	<u>30,428,590</u>	<u>35,366,277</u>
	<u>71,409,803</u>	<u>78,161,708</u>

An analysis of other income and gains is as follows:

	2021 <i>RMB'000</i>	2020 <i>RMB'000</i>
Other income and gains		
Gain on disposal of subsidiaries	51,615	21,502
Gain on disposal of an associate	–	51,100
Remeasurement gain on investment in an associate held before business combination	–	35,052
Subsidy income	21,309	1,587
Deposit forfeiture	8,668	10,573
Investment income from financial assets at fair value through profit or loss	14,327	16,907
Gain on disposal of items of property, plant and equipment	–	167
Exchange gain	83,432	293,569
Others	<u>4,495</u>	<u>5,949</u>
	<u>183,846</u>	<u>436,406</u>

4. FINANCE COSTS

An analysis of finance costs is as follows:

	2021 <i>RMB'000</i>	2020 <i>RMB'000</i>
Interest on loans and borrowings	3,578,125	3,869,507
Interest expense arising from revenue contracts	819,879	600,536
Interest on lease liabilities	<u>1,552</u>	<u>2,170</u>
Total interest expense on financial liabilities not at fair value through profit or loss	4,399,556	4,472,213
Less: Interest capitalised	<u>(4,049,671)</u>	<u>(3,946,967)</u>
	<u><u>349,885</u></u>	<u><u>525,246</u></u>

5. PROFIT BEFORE TAX

The Group's profit before tax is arrived at after charging/(crediting):

	2021 <i>RMB'000</i>	2020 <i>RMB'000</i>
Cost of inventories sold (excluding impairment losses recognised for properties under development and properties held for sale)	31,537,705	26,796,159
Cost of services provided	32,164	62,925
Impairment losses recognised for properties under development	410,425	155,979
Impairment losses recognised for properties held for sale	298,081	147,203
Impairment of financial assets	5,699	(572)
Depreciation of items of property, plant and equipment	44,136	44,778
Amortisation of intangible assets	3,835	3,260
Depreciation of right-of-use assets	36,408	26,702
Rental expenses	3,496	3,768
Auditors' remuneration	10,100	9,225
Employee benefit expense (including directors' and chief executive's remuneration):		
Wages and salaries	511,078	419,137
Pension scheme contributions and social welfare	<u>94,566</u>	<u>31,034</u>

6. INCOME TAX

The Group is subject to income tax on an entity basis on profits arising in or derived from the tax jurisdictions in which members of the Group are domiciled and operate. Pursuant to the rules and regulations of the Cayman Islands, the Group's subsidiaries incorporated in the Cayman Islands and British Virgin Islands are not subject to any income tax. The Group's subsidiaries incorporated in Hong Kong were not liable for income tax as they did not have any assessable profits currently arising in Hong Kong for the year ended 31 December 2021.

Subsidiaries of the Group operating in Mainland China were subject to PRC corporate income tax ("CIT") with a tax rate of 25% for the year except for the following subsidiary:

Company name	Corporate income tax rate
Chongqing Jinhui Changjiang Properties Co., Ltd. ("Chongqing Jinhui Changjiang") *	15%

* According to the Announcement on Further Implementation of Corporate Income Tax Policy for the development of the Western Regions (2012 No.12) issued by the State Taxation Administration and the extension of the Corporate Income Tax Policy for the development of the Western Regions (2020 No.23) jointly issued by the Ministry of Finance, State Taxation Administration and National Development and Reform Commission, Chongqing Jinhui Changjiang, subsidiaries of the Group, is qualified to enjoy the preferential tax policy of western regions enterprise income tax of 15% from 2011 to 2030.

PRC land appreciation tax ("LAT") is levied at progressive rates ranging from 30% to 60% on the appreciation of land value, being the proceeds from sales of properties less deductible expenditures including land costs, borrowing costs and other property development expenditures. The Group has estimated, made and included in taxation a provision for LAT according to the requirements set forth in the relevant Mainland China tax laws and regulations. The LAT provision is subject to the final review and approval by the local tax bureau.

	2021 RMB'000	2020 RMB'000
Current tax:		
Corporate income tax	1,340,171	1,528,152
LAT	1,410,572	1,609,553
Deferred tax	<u>21,193</u>	<u>(420,019)</u>
Total tax charge for the year	<u><u>2,771,936</u></u>	<u><u>2,717,686</u></u>

Tax payable in the consolidated statement of financial position represents:

	2021	2020
	<i>RMB'000</i>	<i>RMB'000</i>
Tax payables:		
Corporate income tax	959,405	1,176,820
LAT	3,905,383	2,606,883
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Total tax payable	4,864,788	3,783,703
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7. DIVIDENDS

The proposed final dividend for the year ended 31 December 2020 of HK\$0.32 (equivalent to RMB0.27 yuan) per ordinary share, amounting to a total of approximately RMB1,092,211,290, was approved by the Group's shareholders at the annual general meeting on 12 May 2021. The above-mentioned declared dividend was paid before 30 June 2021.

Subsequent to the end of the reporting period, a final dividend for the year 2021 of HK\$0.16 (equivalent to RMB0.13 yuan) per ordinary share (to be distributed out of the Company's share premium account), amounting to a total of approximately RMB525,879,510 has been proposed by the Directors and is subject to approval by the shareholders at the forthcoming annual general meeting. The final dividend has been proposed after the end of the reporting period and therefore has not been recognised as a liability at the end of the reporting period.

8. EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT

The calculation of the basic earnings per share amount is based on the profit for the year attributable to ordinary equity holders of the parent, and the weighted average number of ordinary shares of 4,045,227,000 (2020: 3,509,790,134) in issue during the year.

The weighted average number of ordinary shares used to calculate the basic earnings per share amounts for the years ended 31 December 2021 and 2020 was based on 1 share of the Company as at 17 October 2019, 1 share of the Company issued on 6 March 2020, and 3,399,999,998 ordinary shares of the Company issued under the capitalisation issue occurred on 29 October 2020, as if these additional shares issued under the capitalisation issue had been in issue throughout the years ended 31 December 2021 and 2020. On 29 October 2020, the Company issued 600,000,000 new ordinary shares. On 25 November 2020, the over-allotment option has been partially exercised and the Company allotted and issued 45,227,000 additional shares.

No adjustment has been made to the basic earnings per share amounts presented for the years ended 31 December 2021 and 2020 in respect of a dilution as the Group had no potentially dilutive ordinary shares in issue during the years ended 31 December 2021 and 2020.

The calculations of the basic and diluted earnings per share amounts are based on:

	2021	2020
	<i>RMB'000</i>	<i>RMB'000</i>
Earnings		
Profit attributable to ordinary equity holders of the parent	<u>3,274,774</u>	<u>3,127,526</u>
Number of shares		
	2021	2020
Shares		
Weighted average number of ordinary shares in issue during the year	<u>4,045,227,000</u>	<u>3,509,790,134</u>
Earnings per share		
Basic and diluted	<u>RMB0.81 yuan</u>	<u>RMB0.89 yuan</u>

9. TRADE RECEIVABLES

	2021	2020
	<i>RMB'000</i>	<i>RMB'000</i>
Trade receivables	54,720	24,890
Impairment	<u>(1,253)</u>	<u>(699)</u>
	<u>53,467</u>	<u>24,191</u>

The Group's trade receivables primarily consist of receivables from its property sales and property lease. Proceeds from property sales and property lease are generally received in accordance with the terms stipulated in the sale and purchase agreements. Trade receivables are settled based on the progress payment schedule stipulated in the contract. The Group seeks to maintain strict control over its outstanding receivables and has a credit control department to minimise credit risk. Overdue balances are reviewed regularly by senior management. In view of the aforementioned and the fact that the Group's trade receivables relate to a large number of diversified customers, there is no significant concentration of credit risk. The Group does not hold any collateral or other credit enhancements over its trade receivable balances. Trade receivables are non-interest-bearing.

An ageing analysis of the trade receivables as at the end of the reporting period, based on the invoice date and net of loss allowance, is as follows:

	2021	2020
	<i>RMB'000</i>	<i>RMB'000</i>
Within 1 year	40,279	13,826
1 to 3 years	9,214	9,655
Over 3 years	3,974	710
	<u>53,467</u>	<u>24,191</u>

The movements in the loss allowance for impairment of trade receivables are as follows:

	2021	2020
	<i>RMB'000</i>	<i>RMB'000</i>
At the beginning of the year	699	1,365
Impairment losses	554	(666)
At the end of the year	<u>1,253</u>	<u>699</u>

An impairment analysis is performed at the end of each reporting period using a provision matrix to measure expected credit losses. The provision rates are based on ageing for groupings of various customer segments with similar loss patterns. The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions.

Set out below is the information about the credit risk exposure on the Group's trade receivables using a provision matrix:

As at 31 December 2021:

	Ageing			Total
	Less than 1 year	1 to 3 years	Over 3 years	
Expected credit loss rate	0.6%	2.7%	15.9%	2.3%
Gross carrying amount	40,525	9,470	4,725	54,720
Expected credit losses	246	256	751	1,253

As at 31 December 2020:

	Ageing			Total
	Less than 1 year	1 to 3 years	Over 3 years	
Expected credit loss rate	1.6%	1.8%	29.6%	2.8%
Gross carrying amount	14,051	9,830	1,009	24,890
Expected credit losses	225	175	299	699

10. TRADE PAYABLES

An ageing analysis of the Group's trade payables as at the end of the reporting period, based on the invoice date, is as follows:

	2021 RMB'000	2020 RMB'000
Within 1 year	12,919,312	12,266,813
Over 1 year	684,260	655,756
	<u>13,603,572</u>	<u>12,922,569</u>

Trade payables include RMB675,492,000 (31 December 2020: Nil) due to suppliers that have signed up to a supply chain financing programme, under which the suppliers can received a discounted early payment from the special purpose entities ("SPE") rather than being paid in line with the agreed payment terms. Under this arrangement, the Group's liability is assigned by the supplier to be due to the SPE rather than the supplier. The value of the liability payable by the Group remains unchanged. The Group assesses the arrangement against indicators to assess if debts which have been sold by vendors to the funder under the supplier financing scheme continue to meet the definition of trade payables or should be classified as borrowings. At 31 December 2021, the payables met the criteria of trade payables.

Trade payables are unsecured and are normally settled based on the progress of construction.

The fair values of trade payables as at the end of the reporting period approximated to their corresponding carrying amounts due to their relatively short maturity terms.

CHAIRMAN’S STATEMENT

Dear Shareholders,

I am pleased to present to all shareholders of the Company (the “**Shareholders**”) the annual results and business review for the year ended 31 December 2021 as well as the prospects for 2022 of Radiance Holdings (Group) Company Limited.

Annual Results

For the year ended 31 December 2021, the revenue of the Group amounted to RMB40,025.8 million, representing a year-on-year increase of 14.8% as compared to the corresponding period of last year. Gross profit amounted to RMB7,747.5 million, representing a year-on-year increase of approximately 0.4% as compared to the corresponding period of last year. Profit attributable to the owners of the Company was RMB3,274.8 million, representing a year-on-year increase of 4.7% as compared to the corresponding period of last year.

Business Review

Contract Sales

For the year ended 31 December 2021, the contracted sales of the Group reached RMB94,720 million with contracted gross floor area sold of approximately 5.79 million sq.m. The contracted average selling price (“**ASP**”) amounted to approximately RMB16,359 per sq.m.

Deep Urban Penetration, Steady but Progressive

During the year ended 31 December 2021, the Group secured 30 new land parcels and the planned floor area was approximately 3.895 million sq.m., covering 13 first-tier and strong second-tier key cities including Beijing, Ningbo, Shaoxing and Quanzhou, and mainly located at the Yangtze River Delta and the Southeastern China regions.

As of 31 December 2021, the total gross floor area of land bank of Radiance Holdings reached approximately 33.19 million sq.m., of which 97.7% was located in strong second-tier and core third-tier cities, providing a solid basis for the robust and high-quality growth in the future.

Strengthen Business Layout and Build a Better City

In 2021, the Group further strengthened the layout of its commercial office and hotel business while steadily developing the real estate development segment. In April 2021, the Beijing Radiance Park 18 project was officially unveiled. With 5A Grade A level hardware condition, the project aims to build a cutting-edge industry incubation platform and become a new engine to promote the economic development of the region. As the southeast gateway ecological business district of Beijing, Radiance Park 18 accelerates the construction of Beijing-Tianjin-Hebei integration, and together with the established Wangjing CBD, Zhongguancun Industrial Zone and Fengtai Science and Technology Park, it forms the urban-level industrial chain of Beijing.

Meanwhile, the Group also endeavoured for the expansion of its hotel business segment. In February 2021, the Fuqing Sheraton Hotel was grandly opened, becoming the first international five-star hotel in Fuqing and injecting new vitality into the city's development. In October 2021, the Group signed a cooperation agreement with Accor Group to develop Sofitel Jinhui in Shanghai's North Bund into a landmark hotel that blends the French art of living with the long history of the Bund in Shanghai. The Group has fully utilized its advantages in resource integration and cooperated with internationally renowned hotel brands to launch projects such as Sheraton Jinhui Hotel in Xi'an.

The Group will continue to improve the business layout of various types of properties, including residential, commercial, hotel, office and complex, to help improve urban support services and promote the beautiful development of the city.

Sound Financial Policies for Sustainable and Healthy Growth

Looking back at 2021, the sales area of commercial properties across China reached 1.794 billion sq.m, while the sales amount reached RMB18.19 trillion, representing year-on-year increases of 1.9% and 4.8% respectively. During the year, the real estate market experienced a relatively vibrant fluctuation, despite both the sales area and sales amount achieved annual growth. A positive growing trend was recorded during the first half of the year, the condition during the second half of the year, however, continued to decline, resulting in the continuous negative growth rate of sales area and sales amount of commercial properties across China. Under the influence of regulatory policies such as the “Three Red Lines” and “Two Concentrations”, both the operational cash flow and financial cash flow of the overall real estate industry tightened, which brought about a significant liquidity crisis to the real estate companies. The indifferent response from the demand side resulted in a dampened sentiment of the investment side of real estate enterprises. The total gross floor area of housing which commenced construction in 2021 recorded a year-on-year decrease of over 11% and a declining trend of growth rate was shown in real estate development and investment for the whole year. A significant influence to the market supply in the future is expected. In light of the fierce changes in the market, the Group maintained a sound financial position by proactively responding to the changes in policies, focusing on sales and urging the payments of receivables. After being one of the first batch of the real estate companies that met the requirements of the “Three Red Lines” by the end of 2020, the Group continued to present a satisfactory result with full compliance with the “Three Red Lines” in mid-year and year end of 2021. The solid financial management policies and continuously improving financial structures offered robust security for the Group to resolve the liquidity crisis.

Since achieving the green files of the “Three Red Lines” at the beginning of the year, the Group has further optimized its debt structure and expanded domestic and external financing channels. As of 31 December 2021, the weighted average cost of indebtedness of Group further decreased to 6.58%, representing a decrease of 0.89 percentage points as compared to the weighted average cost of indebtedness of 7.47% as of 31 December 2020.

In 2021, the three major international rating agencies have successively adjusted the rating of Radiance Holdings upward, which resulted in a credit ratings of “B+/stable” from S&P, “B1/stable” from Moody’s, and “B+/positive” from Fitch. As of the end of 2021, the three major rating agencies maintained their ratings under the tightening credit policy environment, which showed the recognition by the capital market.

High-Quality Development and Highly Recognized by the Industry

Radiance Holdings ranked the 37th in the 2021 Overall Strength List of Property Developers (2021房企綜合實力榜單) published by the China Real Estate Association, we were also ranked 34th among the top 100 listed real estate companies in China in 2021 and 1st in the speed of development of listed companies. We also received numerous honours in 2021, including brand influential enterprise (品牌影響力企業), socially responsible enterprise (社會責任卓越企業), outstanding innovative real estate company of the year (年度優秀創新能力地產公司) and the best employer of real estate enterprises in China (中國房地產企業最佳僱主).

Following our product concept of “Crafting Quality with Artisanry, Building Homes with Perfection” (匠造質感, 臻心築家), the Group has kept up the pace in the research and development of new products, and won 83 domestic and international design awards during 2021, including the “Top 20 Product Power Enterprises of China Real Estate Developers of 2020” (2020中國房地產開發商產品力二十強企業), the “16th Annual Kinpan Real Estate Innovation Enterprise” (第十六屆年度金盤地產創新企業), the “Digital Application Innovation Brand Cloud Award” (數字化應用創新品牌雲著獎) and the Italian IIDA AWARD International Design Award.

The Official Launch of Yanxuan 3.0 Product System, Decoding Intelligent and Beautiful Life

In 2021, the Group launched the “Jinhui Yanxuan 3.0” product system to present safe, green, healthy and warm intelligent community space for customers, and has been gradually implemented in more than 30 projects in 21 cities across China, with the starting point of serving the human inhabitation, and our insight into the trend of the times and customer needs. With the corporate core value of “continuously improving products and services”, the Group, after sufficient technical precipitation and technological innovation, combined with the “Jinhui Yanxuan 3.0” product system to implement the first “Yanxuan Workshop” in Wuxi Tianyi Mingzhu project, which presents the entire process from quality details inside and outside the building to the effect on the hand over, and makes the invisible architectural nodes transparent to customers, allowing customers’ imagination of future living scenes to be truly presented, and what they see is what they get.

In July 2021, the Group entered into a cooperation agreement with Alibaba Cloud, under which the two parties will cooperate in various aspects surrounding the complete life cycle of the building, such as digital transformation, intelligent industrial real estate, intelligent commercial real estate, intelligent habitat product development, intelligent community construction and property leasing services, etc. The Group has always been oriented to product development and services, empowering living space with intelligent technology, and devoting itself to creating a richer, more Intelligent, high-speed, intimate and safe living environment.

Adhere to Original Commitments and Promote the Sustainable Development of Public Welfare

In 2021, the Group released its first ESG report, which introduced the Group's vision, strategies and practices on the road of sustainable development in five aspects, including corporate strategy, customer services, innovative products, talent mechanism and philanthropy, and demonstrated in detail the Group's actions and achievements in actively promoting sustainable development, and obtained various awards including the Enterprise with Outstanding Contribution to Social Responsibility, ESG Enterprise of the Year, etc. As an enterprise with a sense of social responsibility, the Group never forgets to actively give back to the society and take up its responsibility, actively participating in medical aid, assisting children, actively helping farmers, spreading urban positive energy and other charitable causes.

The Group has continued focus on medical philanthropy causes. At the beginning of the year, the "Donation Ceremony of Medical Projects in Fuqing" (福清市醫療項目捐贈儀式) jointly organized by the Fuqing Municipal Committee of the CPC and the People's Government of Fuqing concluded successfully. At the donation ceremony, Radiance Holdings announced its plan to donate RMB40 million to Fuzhou's medical projects in order to support the development of medical business in Fuzhou. When the pandemic suddenly hit the world, the Group, on the basis of its own pandemic prevention and control work, repeatedly sent pandemic prevention gifts and pandemic support materials to the front-line anti-pandemic workers, insisting on the principle that the great love would not stop as long as the pandemic continues, and guarding the health and safety of every city builder with whole heart.

The Group is committed to spreading urban positive energy, the "Accompanied by overseas Chinese law, offering love and protection to overseas Chinese" – the 2021 Shanghai "Overseas Chinese law publicity month" start-up and "Light up the wish" action online ceremony was held in Minhang district on March 2021. The Group, as the first donation enterprise to the "light up the wish" special fund, donated RMB1 million of love charity to support the public welfare projects of Shanghai overseas Chinese community, and was awarded honorary title of "Pioneering Group on Poverty Alleviation of National Overseas Chinese Association System" by the China Overseas Chinese Association in the middle of the year.

In addition, the Group is also actively committed to public welfare undertakings in education, helping farmers and benefiting farmers, etc., and joined hands with the Sichuan Red Cross Foundation Ma Wei Foundation to launch the "Wake Up of Sleeping Toys Project". More than 10,000 Radiance property owners and staff actively participated in the donation, woke up more than 5,000 "sleeping toys". Our staff public welfare team was led into Daliangshan Mountain to start the "Jincai Yingmiao Project – Jincai Educational Garden" educational toys public welfare donation campaign and the "Hundred Garden Project" public welfare construction campaign, with our "Enlightenment" action, we promoted the revitalization of villages, aiming at the construction of a better future with our tiny good deed.

In the future, the Group will stick to our original commitment, and continue to contribute to the development of education, science, culture, health, sports, overseas Chinese affairs, and international exchanges, so that our sunshine of public welfare will spread to every walk of life.

Prospects for 2022

In 2021, China made a good start to the 14th Five-Year Plan, with GDP reaching RMB114 trillion, up 8.1% year-on-year, and the economy generally runs smoothly; national real estate development investment reached RMB14.8 trillion, up 4.4% year-on-year; the sales area of commercial properties reached 179,000 sq.m., up 1.9% year-on-year, along with the new pandemic. With the normalization control of the COVID-19 pandemic, China's overall economic development has gained good momentum and achieved the goal of building a moderately prosperous society in all aspects. Looking back at 2021, from the "three red lines" in real estate financing to the "centralized land supply" and the continued refinement of regulatory policies, the industry has gradually returned to rationality.

Looking ahead to 2022, the issuance of the Regulatory Measures on the Commodity Housing Pre-sale Revenues would lead to the policy correction of certain places with over-restricting regulatory practices on pre-sale revenues, which in turn is beneficial to the improvement of the industry's credit environment and would mitigate the tension of the liquidity of real estate companies. With the macro fundamentals of China's overall economic upturn, the industry outlook remains positive, and the condition of the market situation will gradually improve in the second quarter, but the competition in the industry is still fierce, the Group will adjust its business mindset in a timely manner, actively embrace changes, improve product quality with a focus on customer needs, carry out people-oriented changes and build up a talent pipeline in order to pursue high quality, sustainable and healthy development.

Against the current macro background, the Group adheres to the business strategy of keeping expenditure within the limits of revenue, abandoning ineffective land accumulation, insisting on our strategy of steady investment and deep urban penetration, further improving the accuracy of land bank expansion. Driven by the macro policy environment, the Group will further leverage on its solid financial performance and progressive turnaround strategy to facilitate the healthy growth of the Company.

In terms of financial management, the Group will continue to comply with the relevant regulatory requirements, continuously improve the internal control mechanism for financial risks, strengthen the supervision and management of capital and reduce liquidity risks; we will further innovate financing models, broaden financing channels, continuously optimize the capital structure and reduce the risks and costs of fund raising.

In terms of product power, “Jinhui Yanxuan 3.0” was officially launched in July 2021. “Jinhui Yanxuan 3.0” originates from serving the human inhabitation, presenting customers with a “safe, green, healthy and warm” smart community space, and has been gradually implemented in more than 30 projects in 21 cities across China, the Group will continue to uphold our corporate core value of “continuously upgrading product power and services”, study the real core needs of customers behind the purchase of properties, continuously upgrade the products, and keep up with the pace of times by integrating technical precipitation and technological innovation to continuously consolidate and improve our product power.

In terms of corporate culture management, the Group continues to pay attention to the creation of corporate cultural power and has put forward the cultural thrust of changing mindsets, embracing change and enhancing combat power in all aspects, which has propelled the Group to move steadily on the road of high-quality development.

Steady growth, product innovation and dedication to service have formed the themes of the Group’s development, we will continue to improve the comprehensive development of multiple types of properties such as residential properties, commercial properties, hotels, offices and complexes, and make life better through continuous innovation and progress. In the future, the Group will continue to keep abreast with the trend of the times and the pace of urban development, to create ideal quality residential properties with high quality development and artisanal design concepts to empower the city and brighten up a better life.

Appreciation

On behalf of the Board, I would like to express the most sincere appreciation to all Shareholders, investors, business partners and customers for their supports to, and trust in, the Company, and all members of the management team and all employees for their dedication and hard work in the preceding year. In 2022, we will continue to uphold the corporate mission of “build properties with craftsmanship and make better homes (用心建好房，讓家更美好)” to further achieve quality and sustainable development. We will stick to our original commitment and move forward with perseverance for the purpose of creating higher value for the Shareholders and investors.

Lam Ting Keung
Chairman

MANAGEMENT DISCUSSION AND ANALYSIS

PERFORMANCE HIGHLIGHTS

	As of 31 December		Change in percentage
	2021	2020	
Highlights of financial information			
Recognised revenue (<i>RMB'000</i>)	40,025,826	34,875,174	+14.8%
Gross profit (<i>RMB'000</i>)	7,747,451	7,712,908	+0.4%
Profit attributable to the owners of the Company	3,274,774	3,127,526	+4.7%
Gross profit margin (%)	19.4%	22.1%	
Net profit margin (%)	9.2%	10.9%	
Earnings per Share (basic and diluted) (<i>RMB cents</i>)	81	89	
Total assets (<i>RMB'000</i>)	191,647,312	185,661,488	+3.2%
Cash and bank balances (<i>RMB'000</i>)	19,728,486	26,590,952	-25.8%
Total indebtedness (<i>RMB'000</i>) ⁽¹⁾	52,794,206	53,773,992	-1.8%
Net indebtedness (<i>RMB'000</i>) ⁽²⁾	33,065,720	27,183,040	+21.6%
Equity attributable to owners of the parent company (<i>RMB'000</i>)	23,637,200	21,562,411	+9.6%
Current ratio (<i>times</i>) ⁽³⁾	1.4	1.4	
Weighted average cost of indebtedness (%) ⁽⁴⁾	6.58%	7.47%	
Net gearing ratio (%) ⁽⁵⁾	88.0%	75.3%	
Cash to current borrowings ratio ⁽⁶⁾	1.2	1.4	
Liability asset ratio after excluding receipts in advance (%) ⁽⁷⁾	68.5%	69.0%	

Notes:

1. Total indebtedness represents total interest-bearing bank and other borrowings, proceeds from asset-backed securities, corporate banks and senior notes.
2. Net indebtedness is calculated by total borrowings (including current and long-term interest-bearing bank and other borrowings, current and long-term proceeds from asset-backed securities, current and long-term senior notes as well as current and long-term corporate bonds) minus cash and bank balances (including restricted cash, pledged deposits as well as cash and cash equivalents).
3. Current ratio is calculated based on total current assets divided by total current liabilities as of the respective dates.
4. Weighted average cost of indebtedness represents the weighted average of interest costs of all outstanding indebtedness.
5. Net gearing ratio is calculated by dividing total borrowings (including current and long-term interest-bearing bank and other borrowings, current and long-term proceeds from asset-backed securities, current and long-term senior notes as well as current and long-term corporate bonds) minus cash and bank balances (including restricted cash, pledged deposits as well as cash and cash equivalents) by total equity.
6. Cash to current borrowings ratio is calculated by dividing cash and bank balances (including restricted cash, pledged deposits as well as cash and cash equivalents) by current borrowings (including current interest-bearing bank and other borrowings, current proceeds from asset-backed securities, current senior notes and current corporate bonds).
7. Liability asset ratio after excluding receipts in advance is calculated by dividing total liabilities minus contract liabilities by total assets minus contract liabilities.

CONTRACTED SALES

For the year ended 31 December 2021, the Group realised contracted sales of approximately RMB94.72 billion with contracted gross floor area sold of approximately 5.79 million sq.m. The contracted average selling price amounted to approximately RMB16,359 per sq.m. It was mainly attributable to the Group's strategy of focusing on regional development, expansion of land bank and more diversified source of contracted sales.

2021 Contracted Sales Summary:

Region/City	Contracted Sales Amount (RMB'000)	Contracted GFA (sq.m.)	Contracted ASP (RMB/sq.m.)
Hangzhou	10,306,580	359,113	28,700
Suzhou	9,956,646	357,813	27,826
Chongqing	9,343,282	545,813	17,118
Quanzhou	7,178,478	630,757	11,381
Lianyungang	6,245,872	594,335	10,509
Fuzhou	6,107,920	181,161	33,715
Xi'an	6,017,830	361,350	16,654
Hefei	5,401,972	352,334	15,332
Fuqing	4,900,200	253,523	19,328
Yangzhou	3,156,668	194,206	16,254
Huai'an	2,595,547	279,672	9,281
Foshan	2,488,468	128,647	19,343
Ningbo	2,474,585	112,789	21,940
Shijiazhuang	2,129,949	177,058	12,030
Changsha	2,113,970	227,570	9,289
Wuhan	2,040,815	129,836	15,718
Tianjin	1,768,421	117,512	15,049
Zhengzhou	1,664,351	117,881	14,119
Chengdu	1,548,646	145,991	10,608
Huizhou	1,113,839	71,394	15,601
Xuzhou	1,075,906	57,829	18,605
Beijing	814,852	14,403	56,573
Langfang	768,773	58,867	13,060
Zhenjiang	751,203	77,583	9,683
Nanjing	740,760	44,516	16,640
Jingzhou	718,662	88,762	8,096
Yancheng	596,903	55,810	10,695
Nantong	302,295	18,681	16,182
Shenyang	191,351	12,406	15,424
Shanghai	107,153	11,293	9,488
Xiangyang	93,726	10,894	8,603
Total	94,715,623	5,789,799	16,359

Note:

Contract sales includes the contract sales of the subsidiaries, joint ventures and associates of the Group. Contracted sales data is unaudited and is prepared based on internal information of the Group. In view of various uncertainties during the collection of such sales information, such contracted sales data is provided for investors' reference only.

Property development and sales

We focus on suitable locations in selected cities in eight major regions, namely the regions of Yangtze River Delta, the Bohai Economic Rim, Southeastern China, Eastern China, Central China, Southwestern China, Northwestern China and Shenzhen/Huizhou. The table below sets forth our revenue generated from each region, total GFA delivered in each region and the respective recognised ASP per sq.m. for each region for the periods indicated:

	Year ended 31 December							
	2021				2020			
	Revenue		GFA Delivered	Recognised ASP	Revenue		GFA Delivered	Recognised ASP
	<i>RMB'000</i>	<i>%</i>	<i>sq.m.</i>	<i>RMB/sq.m.</i>	<i>RMB'000</i>	<i>%</i>	<i>sq.m.</i>	<i>RMB/sq.m.</i>
Northwestern China	11,453,881	29.0	846,180	13,536	4,443,941	12.9	309,124	14,376
Central China	7,034,127	17.8	587,083	11,981	4,685,646	13.6	431,463	10,860
Southwestern China	4,817,539	12.2	430,953	11,179	5,714,949	16.6	359,410	15,901
Eastern China	4,556,151	11.6	497,871	9,151	2,513,129	7.3	322,332	7,797
Southeastern China	3,971,017	10.0	276,899	14,341	6,148,403	17.9	439,354	13,994
Yangtze River Delta	3,606,905	9.1	149,718	24,091	4,791,932	13.9	172,009	27,859
Bohai Economic Rim	3,284,603	8.3	259,861	12,640	4,310,758	12.5	345,480	12,478
Shenzhen/Huizhou	797,328	2.0	70,171	11,363	1,771,766	5.2	177,373	9,989
Total	<u>39,521,551</u>	<u>100.0</u>	<u>3,118,736</u>	<u>12,672</u>	<u>34,380,524</u>	<u>100.0</u>	<u>2,556,545</u>	<u>13,448</u>

Investment Properties

As at 31 December 2021, the Group had 25 investment properties with a total GFA of approximately 902,100 sq.m., and one investment property held for future development with a total GFA of 69,530 sq.m.

Projects under Construction

As at 31 December 2021, the total planned GFA of the Group's projects under construction was 19,719,260 sq.m., representing an increase of approximately 9.6% compared to the total planned GFA of 17,988,604 sq.m. as at 31 December 2020.

Land Bank

In 2021, the Group acquired a total of 30 new land projects. The planned GFA was approximately 3,895,107 sq.m. and the planned GFA which the Group had effective equity interests was approximately 2,550,906 sq.m. The total contracted land premium which the Group had effective equity interests was approximately RMB15,676.2 million. Average land acquisition cost was approximately RMB6,115 per sq.m.

As at 31 December 2021, the Group's land bank GFA and total land bank GFA attributable to the Group were approximately 33,194,836 sq.m. and 25,232,484 sq.m. respectively.

The table below sets forth the breakdown of the total land bank of the subsidiaries, joint ventures and associate companies of the Group as at 31 December 2021:

Region	Project	Main Planned Usage of Projects	Actual/Estimated Completion Year	Site Area (sq.m)	Gross Land Bank Area (sq.m)	Attributable Interests Held by the Group (%)
Properties developed by the Group and its subsidiaries						
Southwestern China						
Chongqing	Tianchen Elite's Mansion	Residential/commercial	2022	52,683	57,015	49.0%
Chongqing	Jiangshan Elite's Mansion	Residential/commercial	2021	69,489	268,688	57.6%
Chongqing	Zhongyang King's Garden	Residential/commercial	2019-2022	157,925	226,617	96.0%
Chongqing	Yujiang House	Residential/commercial	2020	77,342	78,548	96.0%
Chongqing	Boshe	Residential/commercial	2020	52,086	26,976	96.0%
Chongqing	Changjiang King's Garden	Residential/commercial	2020	59,031	68,401	96.0%
Chongqing	Jinhui City Phase IV	Residential/commercial	2018	135,452	77,567	96.0%
Chongqing	Jinhui City Phase V	Office building/commercial	2023	9,932	71,235	96.0%
Chongqing	Binjiang Complex	Commercial	2022	12,738	18,522	96.0%
Chongqing	Jinhui Plaza	Commercial	2015	28,229	123,801	96.0%
Chongqing	Jinhui Elite's Mansion	Residential	2022	25,896	77,546	96.0%
Chongqing	Caihu Yunjing	Residential	2023	44,496	127,739	96.0%
Chongqing	Tanzikou	Residential	2023	25,006	87,556	96.0%
Chongqing	Hushan Elite's Mansion Phase I	Residential/commercial	2022	105,693	215,912	48.0%
Chongqing	Hushan Elite's Mansion Phase II	Residential/commercial	2024	67,358	150,713	48.0%
Chengdu	Jinhui New Block Garden	Residential/commercial	2021	41,112	14,160	96.0%
Chengdu	Fengqi Yunjing	Residential	2023	46,094	121,416	96.0%
Subtotal of Southwestern China region					1,812,412	
Subtotal of interests in Southwestern China region					1,433,939	

Region	Project	Main Planned Usage of Projects	Actual/Estimated Completion Year	Site Area (sq.m)	Gross Land Bank Area (sq.m)	Attributable Interests Held by the Group (%)
Central China						
Wuhan	Jinhui City	Residential/commercial	2026	188,736	636,562	96.0%
Wuhan	Jiangyue Elite's Mansion	Residential/commercial	2024	128,280	559,427	38.4%
Wuhan	Jiangshan Elite's Mansion	Residential/commercial	2023	151,926	965,566	62.4%
Wuhan	New Block Lakeside	Residential/commercial	2020	69,985	76,617	96.0%
Xiangyang	Xiangyang New Block Academy	Residential/commercial	2025	172,060	418,690	72.0%
Changsha	Hongtao Jade Bay Phase I	Residential	2018	22,771	4,433	96.0%
Changsha	Hongtao Jade Bay Phase II	Residential/commercial	2022	37,374	39,430	96.0%
Changsha	Xingyu Academy	Residential/commercial	2023	105,625	405,818	96.0%
Changsha	Xingyue Yundi	Residential/commercial	2023	115,142	331,719	96.0%
Hefei	Land parcel 06, Hefei New Station	Residential/commercial	2023	61,928	174,118	96.0%
Hefei	New Block Academy	Residential/commercial	2021	100,289	28,434	67.2%
Hefei	Cloudworld Garden	Residential	2020	16,262	7,634	96.0%
Hefei	Xin'an Garden	Residential/commercial	2021	34,505	28,558	96.0%
Hefei	Xin'an Yayuan	Residential/commercial	2023	64,532	177,111	96.0%
Hefei	Xizi Garden	Residential	2021	104,760	47,048	22.1%
Hefei	Yunman Xijing	Residential/commercial	2024	60,128	152,107	96.0%
Subtotal of Central China region					4,053,272	
Subtotal of interests in Central China region					3,101,029	
Bohai Economic Rim						
Beijing	Chaoyang Port No.1 Block	Office building	2021	73,891	174,907	96.0%
Beijing	Radiance Plaza	Office building/commercial	2016	11,423	106,212	96.0%
Tianjin	Xueshi Garden	Residential/commercial	2022	80,124	198,622	96.0%
Tianjin	Yunqi Garden	Residential/commercial	2023	40,442	98,572	96.0%
Tianjin	Yunhui Garden	Residential/commercial	2022	36,586	91,460	96.0%
Tianjin	Yunque Garden	Residential/commercial	2022	42,078	95,408	96.0%
Tianjin	Hu'an Garden	Residential/commercial	2021	98,930	23,900	96.0%
Tianjin	Yuncui Gardan	Residential/commercial	2021	25,236	3,708	96.0%
Tianjin	Mingzhu Garden	Residential/commercial	2025	81,437	216,402	96.0%
Langfang	New Block Riverside Garden	Residential/commercial	2024	167,549	455,719	96.0%
Shijiazhuang	New Block Star	Residential/commercial	2022	39,389	103,534	96.0%
Shijiazhuang	Jinhui Elite's Mansion	Residential/commercial	2020	65,052	44,915	52.8%
Shijiazhuang	New Block (Pinyuan)	Residential	2020	48,378	9,721	32.6%
Shijiazhuang	West District of New Block Shangfu	Residential/commercial	2022	52,543	135,081	96.0%
Shijiazhuang	East District of New Block Shangfu	Residential	2023	35,286	88,456	96.0%
Shijiazhuang	Kaiyuan House	Residential/commercial	2021	54,619	63,563	96.0%
Shijiazhuang	New Block Yayuan	Residential/commercial	2022	45,729	159,941	76.8%
Shenyang	Jiangshan Elite's Mansion	Residential/commercial	2020	127,325	54,828	96.0%
Shenyang	Land parcel 88-1, Shenyang Yuhong New Town	Residential/commercial	2024	55,258	150,522	96.0%
Subtotal of Bohai Economic Rim region					2,275,471	
Subtotal of interests in Bohai Economic Rim region					2,128,181	

Region	Project	Main Planned Usage of Projects	Actual/Estimated Completion Year	Site Area (sq.m)	Gross Land Bank Area (sq.m)	Attributable Interests Held by the Group (%)
Eastern China						
Huai'an	Jinhui City Phase III	Residential/commercial	2022	108,819	267,923	97.4%
Huai'an	Jinhui City Square	Residential/commercial/ office building	2024	93,398	361,372	57.6%
Huai'an	Jinhui City Phase II	Residential/commercial	2020	86,833	3,963	96.0%
Huai'an	Jinhui Swan Bay Phase I	Residential/commercial	2016	66,440	6,661	96.0%
Huai'an	Jinhui Swan Bay Phase II	Residential/commercial	2020	63,426	16,532	96.0%
Huai'an	Jinhui Four Seasons Community Phase II	Residential/commercial	2021	72,902	46,130	96.0%
Huai'an	Jinhui Four Seasons Community Phase I	Residential/commercial	2021	70,750	67,991	96.0%
Huai'an	New Block Garden	Residential/commercial	2023	28,600	112,173	96.0%
Huai'an	New Block Dongjun	Residential/commercial	2024	56,712	146,809	96.0%
Huai'an	New Block Academy	Residential/commercial	2024	29,312	114,911	96.0%
Huai'an	New Block Academy 2	Residential/commercial	2023	52,215	168,323	52.8%
Huai'an	New Block Academy 3	Residential	2024	56,833	183,707	52.8%
Huai'an	New Block Academy 4	Residential	2024	56,913	184,843	52.8%
Huai'an	World City Phase 5	Residential/commercial	2025	20,136	65,538	96.0%
Huai'an	Southern Plot of City Plaza	Residential	2024	47,869	155,161	57.6%
Huai'an	Northern Plot of City Plaza	Residential	2025	46,677	151,284	57.6%
Lianyungang	Jinhui Four Seasons	Residential/commercial	2019	223,045	105,512	96.0%
Lianyungang	Jinhui Four Seasons Guanlan	Residential	2021	49,756	45,567	96.0%
Lianyungang	Yunting Riverside	Residential	2023	97,508	166,438	96.0%
Lianyungang	Parcel LTC2020-19	Residential	2023	34,819	96,905	48.0%
Lianyungang	Yundi	Residential/commercial	2025	165,929	516,476	96.0%
Lianyungang	Peninsula Elite's Mansion	Residential/commercial	2024	61,705	113,563	96.0%
Lianyungang	Elite's Mansion	Residential/commercial	2026	93,032	267,947	96.0%
Lianyungang	Yunxie	Residential	2028	59,397	189,825	96.0%
Lianyungang	Outlets	Commercial	2025	108,623	148,258	96.0%
Yancheng	Jinhui City	Residential/commercial	2020-2023	76,441	114,519	96.0%
Yancheng	Jinhui New Block Garden	Residential/commercial	2021	31,180	30,155	96.0%
Yancheng	Jinhui Tongyin Yunshang	Residential/commercial	2023	46,650	124,993	29.0%
Yancheng	Junhefu	Residential/commercial	2023	72,422	200,643	49.0%
Xuzhou	Xinbu Lanting	Residential/commercial	2023	55,982	174,621	96.0%
Xuzhou	Jiangshan Yunjing Community	Residential/commercial	2024	26,358	87,181	48.0%
Zhenjiang	Jinhui Four Seasons Guanlan	Residential/commercial/hotel	2024	37,422	149,638	96.0%
Zhenjiang	New Block Xinyuan	Residential	2024	76,715	196,601	96.0%
Zhenjiang	Yundu Shangyuan	Residential	2022	50,041	162,947	96.0%
Yangzhou	New Block Avenue	Residential/commercial	2023	128,052	263,950	96.0%
Yangzhou	Eden Garden	Residential/commercial	2021	52,581	5,373	32.0%
Yangzhou	Qihu Cloud Atrium	Residential/commercial	2023	93,813	207,657	64.3%
Yangzhou	Yuedu Cloud Atrium	Residential/commercial	2023	40,819	96,627	47.0%
Subtotal of Eastern China region					<u>5,518,717</u>	
Subtotal of interests in Eastern China region					<u>4,430,458</u>	

Region	Project	Main Planned Usage of Projects	Actual/Estimated Completion Year	Site Area (sq.m)	Gross Land Bank Area (sq.m)	Attributable Interests Held by the Group (%)
Northwestern China						
Xi'an	Jinghe Town	Residential/commercial	2028	697,823	2,387,907	96.0%
Xi'an	Academy Mansion	Residential/commercial	2021	46,649	12,470	96.0%
Xi'an	New Block Avenue	Residential/commercial	2026	189,256	812,326	96.0%
Xi'an	Jinhui World City Upper East Side Phase I	Residential/commercial	2018	43,653	17,654	96.0%
Xi'an	Jinhui World City Upper East Side Phase II	Residential/commercial	2020	22,884	216	96.0%
Xi'an	Gaoxin Elite's Mansion	Residential/commercial	2021	37,326	8,058	96.0%
Xi'an	Jinhui Chang'an Elite's Mansion	Residential/commercial	2023	53,859	219,831	96.0%
Xi'an	Jinhui New Block Garden	Residential/commercial	2020	39,412	2,387	96.0%
Xi'an	Jinhui East King's Garden	Residential/commercial/hotel	2022	127,015	471,918	96.0%
Xi'an	Jinhui World City Phase A1-2	Residential/commercial	2016	60,300	17,913	96.0%
Xi'an	Jinhui World City Phase A3	Residential/commercial	2019	40,774	33,045	96.0%
Xi'an	Jinhui World City Phase B1-2	Residential/commercial	2016	82,410	19,862	96.0%
Xi'an	Jinhui World City Phase B3	Residential/commercial	2021	26,000	22,777	96.0%
Xi'an	Jinhui World City Phase C1	Residential/commercial	2019	48,700	1,051	96.0%
Xi'an	Jinhui World City Phase C2	Residential/commercial	2021	38,780	48,956	96.0%
Xi'an	Jinhui World City Block D	Residential/commercial	2021	126,133	200,664	96.0%
Xi'an	Jinhui World City Block G	Residential/commercial	2020	28,399	36,856	96.0%
Xi'an	Jinhui Global Plaza Phase I	Office building/commercial	2017	14,402	83,481	96.0%
Xi'an	Jinhui Global Plaza Phase II	Office building/commercial	2020	32,247	262,740	96.0%
Xi'an	Jinhui World City Block I/J	Residential/commercial	2028	115,320	582,126	96.0%
Xi'an	Jinhui Building (International Plaza)	Office building/commercial	2015	15,908	48,685	96.0%
Xi'an	Chuangzhi Building	Office building/commercial	2019	6,035	20,497	96.0%
Xi'an	Xi'an Jinhui Tianyu Baili Square	Commercial	2024	35,237	280,827	96.0%
Xi'an	Xi'an Jinhui Tianyu Fengxi Elite's Mansion	Residential/commercial	2023	38,775	179,442	96.0%
Zhengzhou	Jinhui New Block Garden	Residential	2023	48,549	167,249	49.0%
Zhengzhou	Jinhui Youbu Lanting	Residential	2024	47,062	154,535	96.0%
Zhengzhou	Jinhui Youbu Lanting	Residential	2025	33,704	109,965	96.0%
Subtotal of Northwestern China region					6,203,438	
Subtotal of interests in Northwestern China region					5,876,627	

Region	Project	Main Planned Usage of Projects	Actual/Estimated Completion Year	Site Area (sq.m)	Gross Land Bank Area (sq.m)	Attributable Interests Held by the Group (%)
Southeastern China						
Quanzhou	Shishi Jinhui City Phase I	Residential/commercial	2022	38,866	176,617	81.6%
Quanzhou	Shishi Jinhui City Phase II	Residential/commercial	2025	183,643	802,013	81.6%
Quanzhou	Jinhui New Block Academy	Residential/commercial	2023	30,865	96,877	96.0%
Quanzhou	Parcel No. 11 at Luojiang	Residential/commercial	2023	64,921	219,254	25.0%
Quanzhou	Land parcel J-05-01 at Anxi	Residential/commercial	2023	20,267	69,698	86.4%
Quanzhou	Shishi Heming	Residential/commercial	2024	31,959	213,000	49.0%
Quanzhou	Parcel S2021-13 in Shishi	Residential/commercial	2024	21,879	159,360	81.6%
Quanzhou	Parcel S2021-14 in Shishi	Residential/commercial	2023	19,646	145,954	81.6%
Fuzhou	Jinhui New Block Garden	Residential/commercial	2021	19,891	12,883	96.0%
Fuzhou	Jinhui Lanlinxuan	Residential/commercial	2021	63,518	174,346	96.0%
Fuzhou	Huai'an Phase I	Residential/commercial	2014	266,962	3,201	57.6%
Fuzhou	Huai'an Phase II	Residential/commercial	2020	357,309	126,222	57.6%
Fuzhou	Huai'an Phase III	Residential	2021	360,992	90,337	57.6%
Fuzhou	Huai'an Phase V	Residential	2016	56,873	14,047	57.6%
Fuzhou	Radiance Plaza	Commercial	1999	1,141	16,760	96.0%
Fuzhou	Jinhui New Block Mansion	Residential/commercial	2023	22,088	54,459	96.0%
Shangrao	Shangrao Tongluowan	Residential/commercial	2025	232,917	650,125	52.8%
Fuqing	New Block Avenue	Residential/commercial	2022	43,071	170,227	96.0%
Fuqing	Jiangshan Elite's Mansion	Residential/commercial	2021	49,504	9,404	37.4%
Fuqing	Guanlan Elite's Mansion	Residential/commercial	2020	49,440	13,762	96.0%
Fuqing	New Block Academy	Residential/commercial	2020	53,168	16,003	34.6%
Fuqing	New Block Garden	Residential/commercial	2022	45,138	173,965	49.0%
Fuqing	East Elite's Mansion	Residential	2022	16,330	54,305	49.0%
Fuqing	Zhongyang King's Garden	Residential/commercial	2022	65,225	240,315	67.2%
Fuqing	Land Parcel No.2021 Lot-13	Residential/commercial	2024	91,256	199,094	57.6%
Subtotal of Southeastern China region					3,902,228	
Subtotal of interests in Southeastern China region					2,659,591	
Shenzhen/Huizhou						
Foshan	New Block Avenue	Residential/commercial	2021	43,523	73,164	96.0%
Foshan	Lingnan Elite's Mansion	Residential/commercial	2021	17,165	98,943	96.0%
Foshan	New Block Academy	Residential	2020	23,275	16,174	48.0%
Foshan	Yunjing Garden	Residential/commercial	2024	44,207	168,247	96.0%
Foshan	Yunzhu Garden	Residential/commercial	2023	66,439	238,878	96.0%
Huizhou	Dongdi Huayuan	Residential/commercial	2020	19,231	18,187	96.0%
Huizhou	Jinhui Elegant Pavilion	Residential/commercial	2021-2022	49,915	184,335	96.0%
Huizhou	New Block Mansion	Residential/commercial	2022	12,415	41,812	96.0%
Huizhou	Gaoling Phase II	Residential/commercial	2023	67,841	325,596	57.6%
Huizhou	Land parcel at Kaoling Township, Qiuchang Street, Huiyang District	Residential/commercial	2023	39,344	174,545	96.0%
Huizhou	Land parcel at Jiangjun Road, Qiuchang Street, Huiyang District	Residential/commercial	2023	43,506	148,330	96.0%
Huizhou	North of Baiyun district, 67,000 sq.m	Residential/commercial	2024	72,128	173,755	96.0%
Subtotal of Shenzhen/Huizhou					1,661,966	
Subtotal of interests in Shenzhen/Huizhou					1,462,695	

Region	Project	Main Planned Usage of Projects	Actual/Estimated Completion Year	Site Area (sq.m)	Gross Land Bank Area (sq.m)	Attributable Interests Held by the Group (%)
Yangtze River Delta						
Hangzhou	Jiushang Elite's Mansion	Residential	2020	64,505	39,087	96.0%
Hangzhou	Ziya Elite's Mansion	Residential	2020	11,349	21,217	96.0%
Shaoxing	New Block Guanlan Garden	Residential/commercial	2022	70,150	206,910	96.0%
Shaoxing	Shaoxing Mirror Lake	Residential/commercial	2022	48,883	154,388	96.0%
Shaoxing	Peninsula Elite's Mansion	Residential	2022	57,812	123,164	96.0%
Shaoxing	Jingyue Elite's Mansion	Residential	2023	63,210	173,918	96.0%
Shaoxing	Huiyi Elite's Yunting	Residential/commercial	2023	29,366	89,150	96.0%
Suzhou	Sea Breeze Garden	Residential/commercial	2020	18,866	29,957	96.0%
Suzhou	New Block Four Seasons Garden Phase I	Residential	2021	25,934	14,003	96.0%
Suzhou	New Block Four Seasons Garden Phase II	Residential	2022	28,102	57,196	96.0%
Suzhou	Qianwan Commercial Center	Commercial	2019	39,428	45,567	96.0%
Suzhou	Runyuan Mansion Yayuan	Residential	2021	43,611	9,645	96.0%
Suzhou	New Block Jiang Lai	Residential/commercial	2023	85,305	214,216	96.0%
Suzhou	Taicang Block No.17	Commercial	2022	35,504	72,999	96.0%
Suzhou	Riverside Yunjing Garden	Residential/commercial	2022	41,941	98,488	67.2%
Nantong	Jinhui Elite's Mansion	Residential	2023	38,049	96,319	96.0%
Wuxi	Xidong King's Garden	Residential	2023	128,379	346,059	49.0%
Shanghai	Jinhui Tiancui Garden	Residential	2019	32,142	8,674	96.0%
Shanghai	Jingang Commercial Plaza	Commercial	2017	31,438	46,484	96.0%
Shanghai	Shanghai Jiulong Hotel	Commercial/hotel	2023	1,943	31,750	96.0%
Ningbo	Huiyi Yunting	Residential/commercial	2022	26,477	71,472	96.0%
Ningbo	Jiangyue Waterflow	Residential/commercial	2022	122,292	212,950	57.6%
Ningbo	Zilin Yunting	Residential/commercial	2023	48,012	123,867	96.0%
Ningbo	Chengyang Yunfu	Residential/commercial	2023	25,091	65,127	96.0%
Ningbo	Yuyao Meishan Road Project	Residential/commercial	2024	54,476	135,375	96.0%
Subtotal of Yangtze River Delta region					<u>2,487,982</u>	
Subtotal of interests in Yangtze River Delta region					<u>2,115,539</u>	
Subtotal of land bank developed by the Group and its subsidiaries					<u>27,915,486</u>	
Subtotal of interests in the land bank developed by the Group and its subsidiaries					<u>23,208,058</u>	

Region	Project	Main Planned Usage of Projects	Actual/Estimated Completion Year	Site Area (sq.m)	Gross Land Bank Area (sq.m)	Attributable Interests Held by the Group (%)
Properties developed by the Group's joint ventures and associates						
Southwestern China						
Chongqing	Luming House	Residential/commercial	2021	157,427	118,376	32.6%
Chongqing	Jinke Jinhui Meiyuan	Residential/commercial	2018-2021	177,239	74,411	47.0%
Chongqing	Jinke Jinhui Bocui Mountain	Residential/commercial	2018-2021	188,419	53,439	47.0%
Chongqing	Liyue Jiangshan	Residential/commercial	2019-2021	61,919	51,073	19.2%
Chengdu	Midea Jinhui Town	Residential	2022	41,940	87,419	48.0%
Chengdu	Peninsula Elite's Mansion Community Phase I	Residential/commercial	2019	39,038	27,308	48.0%
Chengdu	Peninsula Elite's Mansion Community Phase II	Residential/commercial	2019	71,472	76,904	48.0%
Subtotal of Southwestern China region					488,930	
Subtotal of interests in Southwestern China region					200,567	
Central China						
Hefei	Duhui City	Residential/commercial	2022	109,852	163,997	24.0%
Changsha	Jinhui Weichu Mansion	Residential/commercial	2021	60,331	15,583	48.0%
Jingzhou	Chuyue Elite's Mansion	Residential/commercial	2022	51,187	139,211	48.0%
Subtotal of Central China region					318,791	
Subtotal of interests Central China region					113,660	
Bohai Economic Rim						
Tianjin	Yonghe Yayuan	Residential	2022	45,437	90,126	38.4%
Tianjin	Yunzhu Garden	Residential/commercial	2021	62,024	107,526	57.6%
Shijiazhuang	Jinke Tianyu Community	Residential	2026	56,946	161,604	33.6%
Shijiazhuang	Jinke Bocui Garden	Residential	2019	37,004	22,635	24.0%
Shenyang	Jimei Wanxiang	Residential/commercial	2020	78,517	43,651	31.7%
Beijing	Daxing Huang Village Project	Residential/commercial	2025	108,244	393,784	24.0%
Subtotal of Bohai Economic Rim region					819,326	
Subtotal of interests in Bohai Economic Rim region					264,612	

Region	Project	Main Planned Usage of Projects	Actual/Estimated Completion Year	Site Area (sq.m)	Gross Land Bank Area (sq.m)	Attributable Interests Held by the Group (%)
Eastern China						
Lianyungang	New Block Academy	Residential	2020	51,452	33,245	49.0%
Lianyungang	High Tech Cloud	Residential	2023	79,720	220,118	48.0%
Lianyungang	New Block Garden Phase I	Residential/commercial	2022	122,205	120,888	8.7%
Lianyungang	New Block Garden Phase II	Residential/commercial	2022	124,566	72,497	8.7%
Lianyungang	New Block Garden Phase III	Residential/commercial	2024	131,888	289,051	8.7%
Nanjing	Time Mansion	Residential/commercial	2022	131,964	192,221	47.0%
Nanjing	Mansion Yayuan	Residential/commercial	2019	28,257	3,033	57.6%
Yangzhou	Tang Yuan	Residential/commercial	2020	72,660	18,629	48.0%
Xuzhou	Jiangshan Yunjing Community	Residential/commercial	2024	25,157	80,801	48.0%
Xuzhou	Jiangshan Yunjing Community	Residential	2024	24,514	83,246	48.0%
Yangzhou	New Block Riverside	Residential/commercial	2021	50,212	12,797	48.0%
Subtotal of Eastern China region					1,126,526	
Subtotal of interests in Eastern China region					350,027	
Northwestern China						
Xi'an	Jinhui Mansion	Residential/commercial	2017	64,269	25,170	96.0%
Zhengzhou	Binhe Elite's Mansion	Residential/commercial	2023	88,578	212,535	49.0%
Subtotal of Northwestern China region					237,705	
Subtotal of interests in Northwestern China region					128,220	
Southeastern China						
Fuzhou	Lexin Garden	Residential/commercial	2022	125,737	317,109	31.7%
Fuzhou	Yuzhou Jinhui Zhongyang Garden	Residential/commercial/ office building	2020	45,134	19,015	32.6%
Fuzhou	Jinhui Longyue Garden District 1	Residential	2022	86,558	206,901	57.6%
Fuzhou	Jinhui Longyue Garden District 2	Residential/commercial	2019	19,163	14,311	57.6%
Fuzhou	Guanlan Mansion	Residential/commercial	2024	19,515	59,439	47.0%
Fuqing	Bright Binjiang	Residential/commercial	2021	99,992	154,691	47.0%
Fuqing	Bright Tianjing	Residential/commercial	2021	26,133	111,378	47.0%
Fuqing	Bright Tianyue	Residential/commercial	2021	36,757	165,082	15.0%
Fuqing	City Plaza	Residential/commercial	2021	75,854	19,011	48.0%
Fuqing	Boyue Mansion	Residential/commercial	2020	41,675	4,819	32.0%
Subtotal of Southeastern China region					1,071,756	
Subtotal of interests in Southeastern China region					422,705	
Shenzhen/ Huizhou						
Foshan	Elite's Mansion Mingyuan	Residential/commercial	2021	39,844	125,379	49.0%
Huizhou	Baoliyue Mansion	Residential/commercial	2020	27,990	105,432	32.0%
Subtotal of Shenzhen/ Huizhou					230,811	
Subtotal of interests in Shenzhen/ Huizhou					95,120	

Region	Project	Main Planned Usage of Projects	Actual/Estimated Completion Year	Site Area (sq.m)	Gross Land Bank Area (sq.m)	Attributable Interests Held by the Group (%)
Yangtze River Delta						
Hangzhou	Zizhangtai Apartment	Residential	2020	68,263	121,786	49.0%
Hangzhou	Huiyi Elite's Mansion	Residential	2020	59,668	44,891	47.0%
Shaoxing	Guanlan Yunting	Residential	2024	117,391	300,012	48.0%
Suzhou	Lanxi Bay Yuyuan	Residential	2019	66,738	10,496	30.7%
Suzhou	Shanghu King's Garden	Residential	2019	46,004	20,348	31.7%
Suzhou	Sea Time Garden	Residential	2020	69,206	47,599	15.4%
Suzhou	Huaman Seasons Garden	Residential	2020	32,044	345	49.0%
Suzhou	Jiangnan Elite's Mansion Garden Phase I	Residential	2020	24,583	26,390	47.0%
Suzhou	Jiangnan Elite's Mansion Garden Phase II	Residential	2021	30,760	43,622	47.0%
Suzhou	Jiangnan Elite's Mansion Garden Phase III	Commercial/office building	2022	7,239	53,459	47.0%
Suzhou	Runyuan King's Garden	Residential	2019	80,669	32,566	49.0%
Ningbo	Jinhui & Powerlong Plaza	Residential/commercial	2022	86,528	283,991	47.0%
Subtotal of Yangtze River Delta region					985,505	
Subtotal of interests in Yangtze River Delta region					449,514	
Subtotal of land bank developed by the Group's joint ventures and associates					5,279,350	
Subtotal of interests in the land bank developed by the Group's joint ventures and associates					2,024,426	
Total					33,194,836	
Total interests					25,232,484	

Note:

The GFA of the Group's land bank includes (i) GFA available for sale and total rentable GFA of completed projects, (ii) total GFA for properties under development; and (iii) total GFA for properties held for future development. In respect of the non-wholly owned projects, the GFA will be adjusted according to the equity interests of the Group in relevant projects.

Land Acquisition in 2021

In 2021, the Group acquired a total of 30 new land projects. The planned GFA was approximately 3,895,107 sq.m. and the planned GFA which the Group had effective equity interests was approximately 2,550,906 sq.m. The total contracted land premium which the Group had effective equity interests was approximately RMB15,676.2 million. Average land acquisition cost was approximately RMB6,115 per sq.m.

Set out below are the details of the most recent acquisitions of land parcels by the Group for the year ended 31 December 2021:

City	Project	Attributable Interests Held by the Group (%)	Total Land Premium (RMB'000)	Attributable Land Premium (RMB'000)	Total Site Area (sq.m.)	Estimated Planed GFA Excluding Floor and Parking Lots (sq.m.)	Attributable Planed GFA Excluding Floor and Parking Lots (sq.m.)
Beijing	Parcel at Huangcun, Daxing	24.0	4,587,380	1,100,971	108,200	358,843	86,122
Ningbo	Parcel on the eastern side of Ziling Road, Yuyao	96.0	1,231,000	1,181,760	48,012	90,948	87,310
Ningbo	Parcel on the northern side of Meishan Road and to the eastern side of Sima Road, Yuyao	96.0	1,265,210	1,214,602	54,476	94,426	90,649
Ningbo	Land parcel to the north of the Convention and Exhibition Centre, Cixi	96.0	573,890	550,934	25,091	46,333	44,480
Xuzhou	Parcel B at Taoloushan, Xuzhou	48.0	504,500	242,160	25,157	59,583	28,600
Xuzhou	Parcel A at Taoloushan, Xuzhou	48.0	531,300	255,024	26,358	62,417	29,960
Xuzhou	Parcel C at Taoloushan, Xuzhou	48.0	518,700	248,976	24,514	60,503	29,041
Yancheng	Parcel 2021-c-2 at Dafeng District, Yancheng	49.0	910,600	445,830	72,422	199,752	97,799
Huai'an	Parcel to the east of World City, Huai'an	96.0	200,000	192,000	20,136	50,340	48,326
Huai'an	Parcel to the north of City Square, Huai'an	57.6	356,000	205,056	46,677	116,692	67,215
Huai'an	Parcel to the south of City Square, Huai'an	57.6	468,000	269,568	47,869	119,672	68,931
Zhengzhou	Parcel 78# of Zhongmou New Town	96.0	279,950	268,752	47,100	117,554	112,852
Zhengzhou	Parcel No. 13 of Xinzheng North New Area (formerly No. 60)	96.0	141,560	135,898	33,700	84,651	81,265
Xiangyang	Parcel at High-tech Zone, Xiangyang	72.0	826,000	594,720	172,000	309,694	222,980
Chongqing	Parcel at Tanzikou	96.0	800,000	768,000	25,000	60,015	57,615
Huizhou	67 Thousand Project of Huiyang	96.0	1,091,090	1,047,447	72,000	247,509	237,609
Quanzhou	Parcel No. 11 at Luojiang, Quanzhou	25.0	392,000	97,843	64,921	175,287	43,752
Quanzhou	Parcel No. 2021-5	86.4	258,000	222,912	20,266	53,827	46,507
Quanzhou	Parcel 2021S-10, Chengnan, Shishi, Quanzhou	49.0	378,000	185,220	31,959	79,900	39,151
Quanzhou	Parcel 2021S-13, Chengbei, Shishi, Quanzhou	81.6	298,000	243,168	21,879	61,267	49,994
Quanzhou	Parcel 2021S-14, Chengbei, Shishi, Quanzhou	81.6	268,000	218,688	19,646	55,009	44,887
Fuqing	Parcel 13# of Chengdong, Fuqing	57.6	572,000	329,472	91,256	146,010	84,102
Fuzhou	Parcel at Jingxi, Minhou, Fuzhou	96.0	280,000	268,800	22,088	39,758	38,168
Fuzhou	Parcel No. 2021-08 of Yingqian, Changle, Fuzhou	47.0	325,000	152,880	19,515	44,885	21,114
Shaoxing	Parcel to the northeastern side of the intersection of Biyu Road and Biyu Road, Hi-tech Zone, Xinchang County	96.0	526,300	505,248	29,366	58,732	56,383
Shaoxing	Parcel at Xi'an, Paojiang, Shaoxing	48.0	2,236,000	1,073,280	117,391	219,200	105,216
Hefei	Feixi Parcel No. FX202109	96.0	1,103,046	1,058,899	60,127	114,000	109,440
Shangrao	Economic Development Area of Shangrao Municipality, Parcel No. DEA2021114, DEA2021115, DEA2021116, DEA2021117, DEA2021118	52.8	424,000	223,872	232,917	500,300	264,158
Tianjin	Huayuan Parcel, Binhai New Area, Tianjin	96.0	1,800,000	1,728,000	81,436	157,500	151,200
Shenyang	Parcel 88#, Yuhong New Town, Shenyang	96.0	673,106	646,182	55,257	110,500	106,080
Total			<u>23,818,632</u>	<u>15,676,162</u>	<u>1,716,736</u>	<u>3,895,107</u>	<u>2,550,906</u>

FINANCIAL REVIEW

Revenue

For the year ended 31 December 2021, the revenue of the Group was approximately RMB40,025.8 million, represented an increase of 14.8% as compared to RMB34,875.2 million of the corresponding period last year. Our revenue mainly derived from the development and sales of the Group's residential properties and commercial properties, we also derived revenue from leasing of commercial properties, and provision of management consulting services for the overall operation of property projects to our joint ventures and associates.

The table below sets forth the certain information related to our revenue:

	For the year ended 31 December			
	2021		2020	
	<i>RMB'000</i>	<i>%</i>	<i>RMB'000</i>	<i>%</i>
Property development and sales	39,521,551	98.7	34,380,524	98.5
Residential	38,314,480	95.7	31,652,719	90.8
Commercial	1,207,071	3.0	2,727,805	7.7
Property leasing	397,061	1.0	336,613	1.0
Management consulting services	107,214	0.3	158,037	0.5
Total	<u>40,025,826</u>	<u>100.0</u>	<u>34,875,174</u>	<u>100.0</u>

Revenue from Property Development and Sales

As of 31 December 2021, the revenue from property development and sales was approximately RMB39,521.6 million, represented an increase of 15.0% as compared to approximately RMB34,380.5 million of the corresponding period last year. The increase in the Group's revenue from property development and sales was primarily attributable to an increase in the number of completed and delivered property projects of the Group, which resulted in an increase in the Group's total GFA delivered, especially in Central China and Northwestern China regions which showed greater increase during the Year.

Rental Income

Revenue from property leasing consists of recurring rental revenue from leasing our commercial properties, such as office buildings, shopping malls and shopping streets. Our rental income increased by approximately 18.0% to RMB397.1 million for the year ended 31 December 2021 from RMB336.6 million for the year ended 31 December 2020, which was mainly due to the increase in rented area and rent in 2021 as compared to 2020.

Management Consulting Services

The Group provides management consulting services to its joint ventures and associates, such services mainly include management consultation services provided to these entities in connection with the construction, sales and marketing of properties, and overall project management during the development and sales of properties. Our revenue from management consulting services decreased by approximately 32.2% to RMB107.2 million for the year ended 31 December 2021 from RMB158.0 million for the year ended 31 December 2020, which was mainly due the decrease in scale of projects developed by our joint ventures and associates which we provided management consulting services.

Cost of Sales

Cost of property development and sales mainly consists of construction costs, land acquisition costs and capitalized interest. During the year ended 31 December 2021, our cost of sales amounted to approximately RMB32,278.4 million, representing an increase of 18.8% as compared to that of RMB27,162.3 million for the year ended 31 December 2020, which was primarily attributable to the increases in the scale of our operations and accordingly an increase in our corresponding total GFA delivered.

Gross Profit and Gross Profit Margin

The Group's gross profit increased to RMB7,747.5 million for the year ended 31 December 2021 from RMB7,712.9 million for the year ended 31 December 2020.

The Group's gross profit margin decreased to 19.4% for the year ended 31 December 2021 from 22.1% for the year ended 31 December 2020.

Finance Income

The Group's finance income primarily consists of interest income from bank deposits, interest income from funds the Group advanced to our joint ventures and associates and interest received from third parties. For the year ended 31 December 2021, the Group's finance cost was approximately RMB183.5 million, representing an increase of approximately 92.5% as compared to RMB95.3 million of the year ended 31 December 2020, which was mainly due to the fact that the Group enhanced the management of its idle funds during the Year, thus we received higher deposit interests.

Other Income and Gains

The Group's other income and gains decreased to RMB183.8 million for the year ended 31 December 2021 from RMB436.4 million for the year ended 31 December 2020, which was mainly due to the decrease in net exchange gain.

Selling and Distribution Expenses

The Group's selling and distribution expenses mainly consist of (i) promotion and advertising expenses, which primarily represent costs incurred in connection with advertisement in media and promotional events; (ii) employee benefit expenses, which primarily represent salaries paid to our Group's selling and marketing personnel; (iii) office and property management expenses, which primarily represent the expenses incurred in daily operation and management of the Group's sales offices; (iv) sales expenses, which primarily represent commissions paid to third-party sales agencies; (v) depreciation and amortization, which primarily represent the depreciation and amortization of equipment and devices used by the Group's selling and marketing personnel; (vi) travelling and entertainment expenses; and (vii) after-sales service expenses, which primarily represent expenses incurred during the provision of our Group's after-sales services to our customers.

The Group's selling and distribution expenses increased by approximately 25.7% to RMB1,449.3 million for the year ended 31 December 2021 from RMB1,152.8 million for the year ended 31 December 2020, which was primarily attributable to the increase in business scale, resulting in the increase in promotion and advertising expenses.

Administrative Expenses

Our administrative expenses mainly consist of (i) employee benefit expenses, which primarily represent salaries paid to our Group's administrative personnel; (ii) tax and surcharges, which primarily represent stamp duties in relation to sales contracts the Group entered into and property tax in relation to properties our Groups leased; (iii) depreciation and amortization, which primarily represent the depreciation and amortization of the Group's offices and office equipment; (iv) office expenses, which primarily represent the expenses incurred by our Group's administrative personnel in the daily operations of our Group's offices; (v) professional consulting expenses, which primarily represent the expenses for the consulting services the Group engaged in order to increase our operational efficiency; (vi) bank service charges, which primarily represent the expenses for miscellaneous bank services; (vii) travelling and entertainment expenses; and (viii) service expenditures.

The Group's administrative expenses decreased by approximately 0.1% to RMB1,195.4 million for the year ended 31 December 2021 from RMB1,196.1 million for the year ended 31 December 2020, which was primarily attributable to the enhancement of the management of administrative and office expenses of the Group.

Finance Cost

Our finance costs mainly consist of (i) interest on bank and other borrowings, corporate bonds, asset-backed securities, senior notes and lease liabilities; and (ii) interest expense arising from revenue contracts, which represents interest expenses recognised for the significant financing components included in contract liabilities during the period from the receipt of sales proceeds to the delivery of the underlying properties, less capitalized interest directly relating to properties under development.

The Group's finance cost decreased by approximately 33.4% to RMB349.9 million for the year ended 31 December 2021 from RMB525.2 million for the year ended 31 December 2020, which was primarily attributable to the decrease in average finance cost due to the continuous optimization of the Group's debt structure.

The Group's weighted average cost of debt as at 31 December 2021 was approximately 6.58% (31 December 2020: 7.47%).

Other Expenses

The Group's other expenses decreased by approximately 44.3% to RMB44.9 million for the year ended 31 December 2021 from RMB80.6 million for the year ended 31 December 2020, which was primarily attributable to the increase in donation made for fighting against Covid-19 pandemic and other community charity in 2020.

Fair Value Gains on Investment Properties

Fair value gains on investment properties represent the changes in the fair value of our investment properties. For the year ended 31 December 2021, the Group recorded fair value gains on investment properties of RMB657.0 million, represented an increase of 50.3% compared to that of RMB437.0 million for the year ended 31 December 2020. Such increase was primarily because Radiance Park 18 (時八區商業中心) was added to our investment properties portfolio, and accordingly we recorded a relatively high level of appreciation in value in 2021 as compared to the corresponding period of 2020.

Share of Profits of Joint Ventures

For the year ended 31 December 2021, the Group recorded share of profits of joint ventures of RMB98.4 million, while we recorded share of profits of joint ventures of RMB992.5 million for the year ended 31 December 2020. Such change was mainly attributable to the decrease in GFA delivered of the property projects held by the Group's joint ventures during the year ended 31 December 2021.

Share of Profits of Associates

For the year ended 31 December 2021, the Group's recorded share of profits of associates of RMB641.1 million, while we recorded share of losses of associates of RMB182.5 million for the year ended 31 December 2020, which was primarily attributable to the increase in GFA delivered property projects held by the Group's associates during the year ended 31 December 2021.

Profit before Tax

The Group's profit before tax decreased by approximately 1.1% to RMB6,465.6 million for the year ended 31 December 2021 from RMB6,536.8 million for the year ended 31 December 2020.

Income Tax Expenses

The Group's income tax expenses for the year included the provision made for PRC enterprise Income tax and land appreciation tax. The Group's income tax expenses increased by approximately 2.0% to RMB2,771.9 million for the year ended 31 December 2021 from RMB2,717.7 million for the year ended 31 December 2020, which was primarily attributable to the increase in enterprise income tax as a result of the increase in our taxable profit and property sales.

The effective enterprise income tax rate (i.e. income tax divided by profit before tax) of the Group for the year ended 31 December 2021 was 42.9%, as compared to that of 41.6% for the year ended 31 December 2020.

Profit for the Year

As a result of the change in the Group's financial data mentioned above, the profit after tax of the Group during the year decreased by approximately 3.3% to RMB3,693.7 million during the year ended 31 December 2021 from RMB3,819.1 million during the year ended 31 December 2020.

LIQUIDITY AND FINANCIAL RESOURCES

Net Current Assets

As at 31 December 2021, the Group's net current assets was RMB48,027.6 million (2020: RMB49,834.5 million). In particular, the Group's total current assets increased by approximately 0.6% to RMB163,474.6 million as at 31 December 2021 from RMB162,445.3 million as at 31 December 2020. The Group's total current liabilities increased by approximately 2.5% to RMB115,447.1 million as at 31 December 2021 from RMB112,610.8 million as at 31 December 2020. The increase of the Group's net current assets was mainly attributable to the increase in properties under development as we expanded our business, such increase was partly offset by (i) the increase in contracted liabilities as a result of increase in sales of properties; and (ii) the increase in trade payables to satisfy our operation and development need.

Cash Position

As at 31 December 2021, the Group's cash and bank balances was RMB19,728.5 million (2020: RMB26,591.0 million), including pledged deposits of RMB850.0 million (2020: RMB438.4 million). As at the date of this announcement, the security of pledged deposits of the Group secured for financings was discharged.

Indebtedness

As at 31 December 2021, the Group's outstanding borrowings amounted to RMB52,794.2 million (2020: RMB53,774.0 million). Save for the RMB4,541.1 million senior notes which were denominated in US dollars and the RMB126.9 million bank loans which were denominated in Hong Kong dollars, all other borrowings of the Group were denominated in Renminbi.

The table below sets forth the components of the Group's borrowings as at the dates indicated:

	As of 31 December	
	2021	2020
	<i>RMB'000</i>	<i>RMB'000</i>
Current		
Bank loans – secured	126,875	12,561
Other loans – secured	747,000	–
Current portion of long term bank loans – secured	7,730,586	5,727,540
Current portion of other loans – secured	899,572	3,994,330
Corporate bonds	4,572,592	7,056,468
Senior notes	2,650,016	1,745,743
Proceeds from asset-backed securities	65,705	770,798
Total current	<u>16,792,346</u>	<u>19,307,440</u>
Non-current		
Bank loans – secured	24,789,490	22,612,905
Other loans – secured	1,870,000	3,255,100
Corporate bonds	2,197,450	2,358,100
Senior notes	1,891,050	3,549,874
Proceeds from asset-backed securities	5,253,870	2,690,573
Total non-current	<u>36,001,860</u>	<u>34,466,552</u>
Total borrowings	<u><u>52,794,206</u></u>	<u><u>53,773,992</u></u>
Secured	41,483,098	39,063,807
Unsecured	11,311,108	14,710,185
Total borrowings	<u><u>52,794,206</u></u>	<u><u>53,773,992</u></u>

The following table sets out the maturity of the Group's total borrowings as at the dates indicated:

	As of 31 December	
	2021	2020
	<i>RMB'000</i>	<i>RMB'000</i>
Bank loans repayable:		
Within one year	7,857,461	5,740,101
Between one and two years	12,280,310	11,909,435
Between two and five years	12,007,940	10,574,470
More than five years	501,240	129,000
	<u>32,646,951</u>	<u>28,353,006</u>
Other borrowings repayable:		
Within one year	1,646,572	3,994,330
Between one and two years	900,000	3,155,100
Between two and five years	970,000	100,000
	<u>3,516,572</u>	<u>7,249,430</u>
Other senior notes, corporate bonds and proceeds from asset-backed securities repayable		
Within one year	7,288,313	9,573,009
Between one and four years	5,917,165	6,156,321
Over four years	3,425,205	2,442,226
	<u>16,630,683</u>	<u>18,171,556</u>
Total	<u><u>52,794,206</u></u>	<u><u>53,773,992</u></u>

Pledged Assets

As at 31 December 2021, the Group's borrowings was secured by the Group's assets that amounted to RMB70,721.9 million (2020: RMB64,652.0 million), such assets included (i) property, plant and equipment; (ii) land use rights; (iii) investment properties; (iv) properties under development; (v) completed properties held for sale; and (vi) pledged deposits.

Financial Risk

The Group's businesses exposed us to various financial risks, including interest rate risk, foreign exchange risk, credit risk and liquidity risk. In order to minimize such risk exposures of the Group, we do not use any derivatives and other instruments for hedging. The Group does not hold or issue financial derivatives for trading purpose.

Interest Rate Risk

The Group's exposure to changes in market interest rate relates primarily to the Group's interest-bearing bank and other borrowings. The Group does not use financial derivatives to hedge interest rate risk, and uses variable rate bank borrowings and other borrowings to manage its interest cost.

Foreign Exchange Risk

The Group mainly operates its business in China, and substantial all of its revenue and expenses are denominated in Renminbi, while the net proceeds from the the listing of the shares of the Company (the "**Shares**") on the Main Board of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") on 29 October 2020 (the "**Listing**") was paid in Hong Kong dollars. As at 31 December 2021, among the Group's cash and bank balances, RMB97.7 million and RMB250.9 million was denominated in Hong Kong dollars and US dollars, respectively, such amounts were subject to the exchange rate fluctuation. The Group does not have any policy to hedge against foreign exchange risk. However, the Group will closely monitor its foreign exchange exposure, and strive to maintain the value of the Group's cash.

Credit Risk

The Group divides financial instruments on basis of shared credit risk characteristics, such as instrument type and credit risk ratings for the purpose of determining significant increases in credit risk and calculation of impairment. To manage risk arising from trade receivables, the Group has policies in place to ensure that credit terms are made only to counterparties with an appropriate credit history and management performs ongoing credit evaluations of the Group's counterparties. The credit quality of these customers is assessed after taking into account their financial position, past experience and other factors. The Group also has other monitoring procedures to ensure that follow-up action is taken to recover overdue receivables. In addition, the Group regularly reviews the recoverable amount of trade receivables to ensure that adequate impairment losses are made for irrecoverable amounts. The Group has no significant concentrations of credit risk, with credit risk spread over a large number of counterparties and customers.

Liquidity Risk

The Group's objective is to maintain a balance between sustainability and flexibility of funding through the use of interest-bearing bank and other borrowings. The Group reviews our liquidity position on an ongoing basis.

Contingent Liabilities

The Group has arrangements with various banks for the provision of mortgage financing and, where required, provides our customers with guarantees as security for mortgage loans. The terms of such guarantees typically last until the issuance of the real estate ownership certificate upon the completion of guarantee registration or satisfaction of mortgage loan by the purchaser. As a guarantor, if the purchaser defaults in payment, the Group is obligated to repay all outstanding amounts owed by the purchaser to the mortgagee bank under the loan and have the right to claim such amount from the defaulting purchaser. As at 31 December 2021, the Group did not incur any material losses in respect of the guarantees provided for mortgage facilities granted to purchasers of the Group's completed properties held for sale. The Directors considered that the likelihood of default in payments by purchasers is minimal and therefore the financial guarantees measured at fair value was immaterial. As such, no provision has been made in connection with the guarantees.

As at 31 December 2021, the Group has provided guarantee to the banks amounting to RMB40,093.5 million (2020: RMB34,134.7 million) in total for the financing granted to the purchasers of the Group's properties. As at 31 December 2021, the Group has provided guarantee to the banks amounting to RMB1,426.5 million (2020: RMB5,515.5 million) in total for the financing granted to the Group's related parties and third parties. For the year ended 31 December 2021, the Group did not have any outstanding loan capital, bank overdrafts and acceptance liabilities or other similar indebtedness, debentures, mortgages, charges or loans, or acceptance credits or hire purchase commitments, guarantees or other material contingent liabilities or any covenant.

Legal Contingents

The Group may be involved in lawsuits and other proceedings from time to time during the ordinary course of business. The Group believes that the liabilities resulting from these proceedings will not have a material adverse effect on our business, financial condition or operating results.

Commitment

As at 31 December 2021, the Group had capital commitment of RMB23,147.5 million (2020: RMB28,896.8 million) in respect of properties under development, merger and acquisition of equity interest and capital injection for investment in joint ventures and associates.

Off-Balance Sheet Commitment and Arrangements

Save for the contingent liabilities disclosed above, as at 31 December 2021, the Group did not have any outstanding loan capital issued or agreed to be issued, bank overdrafts, loans, loan securities, borrowings or other similar indebtedness, acceptance liabilities (save for normal commercial notes), acceptance credits, debentures, mortgages, charges, finance lease or hire purchase commitments, guarantees or other material contingent liabilities.

Significant Investments Held, Material Acquisitions and Disposals of Subsidiaries, Associates and Joint Ventures

On 25 June 2021, Beijing Jinhui Chuangling Technology Co., Ltd. (“**Beijing Jinhui**”), a 96% non-wholly owned subsidiary of the Company, as the purchaser entered into the Equity Transfer Agreement with Shanghai Greenland Hotel and Tourism (Group) Co., Ltd (“**GHTG**”), as the vendor, pursuant to which Beijing Jinhui has conditionally agreed to acquire, and GHTG has conditionally agreed to sell, the entire equity interests in Shanghai Jiulong Hotel Co., Ltd. (“**Shanghai Jiulong Hotel**”) for the consideration in the amount of RMB860.0 million. The hotel held by Shanghai Jiulong Hotel is located in the core area of Shanghai with a superior geographical location, which will help strengthen the Group’s development in the hotel business sector. The completion of the acquisition of Shanghai Jiulong Hotel took place in August 2021. Upon completion, the Group has become interested in the entire equity interest in Shanghai Jiulong Hotel and Shanghai Jiulong Hotel has become a wholly-owned subsidiary of the Company. The financial results of Shanghai Jiulong Hotel are consolidated into the Group’s financial statements. Further details of the above acquisition of Shanghai Jiulong Hotel were disclosed in the Company’s announcement dated 25 June 2021.

During the year ended 31 December 2021, the Company has no other significant investments or material acquisitions or disposals of subsidiaries, associates and joint ventures.

Future Plan for Significant Investment

Save as disclosed in this announcement, the Group did not have any other immediate plans for material investments and capital assets as at 31 December 2021.

Use of Proceeds from the Listing

Net proceeds from the Listing (including the partial exercise of the over-allotment option), after deducting the underwriting commission and other estimated expenses in connection with the Listing, amounted to approximately HK\$2,691.9 million (equivalent to approximately RMB2,332.3 million). As of the date of this announcement, the net proceeds received from the Listing have been used in a manner consistent with the proposed allocations stated in the Prospectus. As at 31 December 2021, the Group has utilized all of the proceeds from the Listing in the amount of approximately RMB2,332.3 million, of which: (i) approximately RMB233.2 million was allocated for general business operations and working capital; and (ii) approximately RMB699.7 million was used to repay part of the Group's existing entrusted loans for the Group's development projects; and (iii) approximately RMB1,399.4 million was used to finance the Group's existing property projects.

As at 31 December 2021, our planned use and actual use of net proceeds raised from the Listing was as follows:

	Percentage of net proceeds	Available to utilise (RMB million)	Unutilised brought forward (as at 1 January 2021) (RMB million)	Utilised ended 31 December 2021 (RMB million)	Utilised (up to 31 December 2021) (RMB million)	Unutilised (as at 31 December 2021) (RMB million)
Construction costs for the development of the Group's existing property projects	60%	1,399.4	1,117.2	1,117.2	1,399.4	0.0
Repayment of trust loans	30%	699.7	79.5	79.5	699.7	0.0
For general business operation purposes and working capital	10%	233.2	–	–	233.2	0.0
	100%	2,332.3	1,196.7	1,196.7	2,332.3	0.0

Employees

As at 31 December 2021, the Group has a total of 3,383 employees, with most of them were based in China. For the year ended 31 December 2021, staff costs (including Directors) was approximately RMB605.6 million (2020: approximately RMB450.2 million). The Group determined the salary based on the qualifications, position and experience of each employee. The Group has established a regular assessment mechanism to assess the performance of our employees, the assessment results are used as the basis for determining salary increment, bonuses and promotions.

SUBSEQUENT EVENTS

No material events were undertaken by the Group subsequent to 31 December 2021 and up to the date of this announcement.

CORPORATE GOVERNANCE

The Group is committed to achieving high standards of corporate governance to safeguard the interests of the Shareholders and to enhance corporate value and accountability. During the year ended 31 December 2021, the Company applied the principles of and fully complied with the code provisions of the Corporate Governance Code ^(Note) (“**CG Code**”) as set out in Appendix 14 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) except for the following deviation from provision A.2.1 of the CG Code. The Company regularly reviews its corporate governance practices to ensure compliance with the CG Code.

Chairman and Chief Executive Officer

CG Code provision A.2.1 stipulates that the roles of the chairman and chief executive officer should be separate and should not be performed by the same individual. Mr. Lam Ting Keung is the chairman of the Board and the chief executive officer of the Company. In view of the fact that Mr. Lam Ting Keung has been assuming day-to-day responsibilities in operating and managing the Group since its establishment, the Board believes that it is in the best interest of the Group to have Mr. Lam Ting Keung taking up both roles for effective management and business development. Therefore, the Directors consider that the deviation from CG Code provision A.2.1 is appropriate in such circumstance.

Notwithstanding from the above, the Board views that this management structure is effective for the Group’s operations and sufficient checks and balances are in place.

Note: A new CG Code came into effect on 1 January 2022. As the period under review in this announcement is for the year ended 31 December 2021, the CG Code described in this announcement is the CG Code in effect during the year ended 31 December 2021.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers as contained in Appendix 10 to the Listing Rules (the “**Model Code**”) as the guidelines for the Directors’ dealings in the securities of the Company since the Listing. Having made specific enquiries to each of the Directors, they have confirmed their compliance with the required standards set out in the Model Code during the year ended 31 December 2021.

REVIEW OF AUDITED ANNUAL RESULTS

The Board established an audit committee with written terms of reference in compliance with the CG Code. The terms of reference of the audit committee has been uploaded to the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.radiance.com.cn).

The primary duties of the audit committee are to review, supervise and approve the financial reporting process and internal control system and to provide advice and comments to the Board. The audit committee consists of three members, namely Mr. Chung Chong Sun, Mr. Zhang Huaqiao and Mr. Tse Yat Hong, each of them is an independent non-executive Director. The chairman of the audit committee is Mr. Chung Chong Sun, who possesses appropriate professional qualifications.

The audit committee has discussed, reviewed and agreed with the management of the Company regarding the accounting principles and practices adopted by the Group, together with the internal control and financial reporting matters as well as the annual results of the Group for the year ended 31 December 2021.

The figures in respect of the Group’s consolidated statement of profit or loss and other comprehensive income, consolidated statement of financial position and the related notes thereto for the year ended 31 December 2021 as set out in this announcement have been agreed by the Group’s independent auditor, Ernst & Young, Certified Public Accountants of Hong Kong, to the amounts set out in the Group’s audited consolidated financial statements for the Year. The work performed by Ernst & Young in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by Ernst & Young on this announcement.

PUBLICATION OF ANNUAL RESULTS

This announcement is published on the website of the Stock Exchange at www.hkexnews.hk as well as the website of the Company at www.radiance.com.cn. The Company's annual report for the year ended 31 December 2021 will be despatched to the Shareholders and published on the aforementioned websites in due course.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

The Company and its subsidiaries did not purchase, sell or redeem any of the listed securities of the Company during the year ended 31 December 2021.

FINAL DIVIDEND

The Board proposed a final dividend for the year ended 31 December 2021 (the “**2021 Proposed Final Dividend**”) of HK0.16 dollars (equivalent to RMB0.13) per Share (to be distributed out of the Company's share premium account), which is subject to, among other things, Shareholders' approval at the forthcoming annual general meeting of the Company (the “**2022 AGM**”), and will be paid to the Shareholders within four months from the said approval having been obtained. The expected payment date of the 2021 Proposed Final Dividend will be announced in due course.

AGM AND CLOSURE OF REGISTER OF MEMBERS

The 2022 AGM will be held on Friday, 20 May 2022. A notice convening the 2022 AGM will be published on the Company's website and the Stock Exchange's website and dispatched to the Shareholders in accordance with the requirements of the Listing Rules in due course. For the purposes of determining the Shareholders' eligibility to attend, speak and vote at the 2022 AGM and the Shareholders' entitlement to the 2021 Proposed Final Dividend, the register of members of the Company will be closed during the periods described below.

For determining the entitlement to attend and vote at the 2022 AGM

The register of members of the Company will be closed from Tuesday, 17 May 2022 to Friday, 20 May 2022, both days inclusive, during which period no transfer of the Shares will be effected. In order to determine the identity of the Shareholders who are entitled to attend and vote at the 2022 AGM, all share transfer documents accompanied by the relevant share certificates must be lodged for registration with the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong not later than 4:30 p.m. on Monday, 16 May 2022.

For determining the entitlement to the 2021 Proposed Final Dividend

The register of members of the Company will be closed from Thursday, 2 June 2022 to Monday, 6 June 2022, both days inclusive, during which period no transfer of the Shares will be effected. In order to qualify for the 2021 Proposed Final Dividend, all share transfer documents accompanied by the relevant share certificates must be lodged for registration with the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong not later than 4:30 p.m. on Wednesday, 1 June 2022.

By order of the Board
Radiance Holdings (Group) Company Limited
Lam Ting Keung
Chairman

Hong Kong, 25 March 2022

As at the date of this announcement, the Board comprises four executive Directors, namely, Mr. Lam Ting Keung, Mr. Lam Yu, Mr. Huang Junquan and Mr. Xu Xiaodong and three independent non-executive Directors, namely, Mr. Zhang Huaqiao, Mr. Tse Yat Hong and Mr. Chung Chong Sun.