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seazen

新城发展

SEAZEN GROUP LIMITED

新城發展控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1030)

**ANNUAL RESULTS ANNOUNCEMENT
FOR THE YEAR ENDED 31 DECEMBER 2021**

ANNUAL RESULTS HIGHLIGHTS

- Contracted sales* were approximately RMB233,775 million;
- Commercial operating income** was approximately RMB8,639 million, representing a year-on-year increase of 51%;
- Revenue was approximately RMB169,537 million, representing a year-on-year growth of approximately 16%;
- Net profit attributable to equity holders of the Company was approximately RMB8,591 million;
- Core earnings*** attributable to equity holders of the Company was approximately RMB7,044 million;
- The net debt-to-equity ratio was 48.6%, and cash on hand was approximately RMB55.65 billion;
- The weighted average interest rate of bank borrowings, senior notes and corporate bonds was 6.46%, down by 23 basis points over the previous year; and
- The contracted amount of pre-sold but not recognized properties was approximately RMB329,594 million, subject to further recognition.

* Including joint ventures and associates

** Tax-included rental income includes rentals, management fee, carpark, various operation and other sporadic management income from shops, office buildings and shopping centres

*** Core earnings equal to net profit less after-tax fair value gains or losses on investment properties and financial assets, and unrealized foreign exchange gains or losses relating to borrowings and financial assets and after-tax gains or losses on disposal of subsidiaries.

The board (the “**Board**”) of directors (the “**Directors**”) of Seazen Group Limited (the “**Company**”) is pleased to announce the audited consolidated financial results of the Company and its subsidiaries (the “**Group**”) for the year ended 31 December 2021 together with the comparative figures for the year 2020 as follows:

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2021

	Note	31 December 2021 RMB'000	31 December 2020 RMB'000
ASSETS			
Non-current assets			
Property, plant and equipment		7,760,287	6,498,269
Right-of-use assets		1,014,620	1,070,163
Investment properties		103,948,422	85,705,342
Intangible assets		428,221	412,761
Investments in associates		13,978,986	12,724,497
Investments in joint ventures		13,144,774	10,184,181
Deferred income tax assets		6,277,187	4,767,163
Financial assets at fair value through profit or loss		362,865	466,271
Financial assets at amortised costs		294,879	570,229
Goodwill		10,260	10,260
Trade and other receivables and prepayments	4	576	257,218
Total non-current assets		147,221,077	122,666,354
Current assets			
Prepayments for leasehold land		3,686,009	12,734,497
Properties held or under development for sale		250,383,115	270,616,600
Trade and other receivables and prepayments	4	77,126,030	70,308,846
Contract costs		3,800,297	2,473,915
Financial assets at fair value through other comprehensive income		743,746	677,362
Financial assets at fair value through profit or loss		1,028,965	869,292
Financial assets at amortised costs		466,313	773,022
Restricted cash		9,048,650	4,402,276
Cash and cash equivalents		46,604,698	58,965,908
Total current assets		392,887,823	421,821,718
Total assets		540,108,900	544,488,072

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONT'D)*As at 31 December 2021*

	<i>Note</i>	31 December 2021 RMB'000	31 December 2020 RMB'000
EQUITY			
Equity attributable to owners of the Company			
Share capital: nominal value	5	5,081	5,081
Reserves		42,154,256	35,763,189
		<u>42,159,337</u>	<u>35,768,270</u>
Non-controlling interests		<u>55,259,999</u>	<u>45,701,702</u>
Total equity		<u>97,419,336</u>	<u>81,469,972</u>
LIABILITIES			
Non-current liabilities			
Borrowings	6	66,046,959	73,417,094
Lease liabilities		623,072	663,024
Deferred income tax liabilities		6,627,205	5,703,404
Total non-current liabilities		<u>73,297,236</u>	<u>79,783,522</u>
Current liabilities			
Trade and other payables	7	123,744,212	134,148,309
Advances from lessees		1,179,045	794,544
Contract liabilities		193,284,614	202,196,750
Current income tax liabilities		12,928,382	14,770,224
Borrowings	6	38,169,140	31,226,480
Lease liabilities		86,935	98,271
Total current liabilities		<u>369,392,328</u>	<u>383,234,578</u>
Total liabilities		<u>442,689,564</u>	<u>463,018,100</u>
Total equity and liabilities		<u><u>540,108,900</u></u>	<u><u>544,488,072</u></u>

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the year ended 31 December 2021

		Year ended 31 December	
		2021	2020
	Note	RMB'000	RMB'000
Revenue	8	169,537,320	146,118,718
Cost of sales and services	9	<u>(141,179,599)</u>	<u>(114,530,455)</u>
Gross profit		28,357,721	31,588,263
Fair value gains on investment properties		2,792,459	2,306,223
Fair value losses on financial instruments at fair value through profit or loss		(38,986)	(41,662)
Selling and marketing costs	9	(5,937,355)	(5,560,285)
Administrative expenses	9	(5,149,331)	(4,728,207)
Net impairment losses on financial assets		(466,373)	(158,530)
Other income		435,246	360,672
Other expenses		(61,270)	(28,984)
Other gains – net		<u>235,371</u>	<u>294,400</u>
Operating profit		<u>20,167,482</u>	<u>24,031,890</u>
Finance income	10	438,688	559,611
Finance costs	10	<u>(1,281,259)</u>	<u>(1,139,613)</u>
Finance costs – net	10	<u>(842,571)</u>	<u>(580,002)</u>
Share of results of associates		680,703	1,751,213
Share of results of joint ventures		<u>1,391,515</u>	<u>1,182,463</u>
Profit before income tax		21,397,129	26,385,564
Income tax expense	11	<u>(8,036,135)</u>	<u>(10,267,182)</u>
Profit for the year		<u>13,360,994</u>	<u>16,118,382</u>
Profit for the year attributable to:			
– Equity holders of the Company		8,590,624	10,178,247
– Non-controlling interests		<u>4,770,370</u>	<u>5,940,135</u>
		<u>13,360,994</u>	<u>16,118,382</u>
Earnings per share for profit attributable to equity holders of the Company			
– Basic earnings per share	12	RMB1.39	RMB1.65
– Diluted earnings per share	12	<u>RMB1.38</u>	<u>RMB1.65</u>

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2021

	Year ended 31 December	
	2021	2020
Note	RMB'000	RMB'000
Profit for the year	13,360,994	16,118,382
Other comprehensive income/(loss)		
<i>Items that may be reclassified subsequently to profit or loss</i>		
– Currency translation differences	515,540	606,673
– Changes in fair value of debt instruments at fair value through other comprehensive income	(69,791)	–
<i>Items that will not be reclassified subsequently to profit or loss</i>		
– Currency translation differences attributable to non-controlling interests	258,625	286,189
– Share of other comprehensive income of an associate accounted for using the equity method	(3,956)	(45,942)
– Changes in fair value of debt instruments at fair value through other comprehensive income attributable to non-controlling interests	(46,528)	–
– Changes in fair value of equity investments at fair value through other comprehensive income	(5,179)	3,863
Other comprehensive income for the year, net of tax	648,711	850,783
Total comprehensive income for the year	14,009,705	16,969,165
Total comprehensive income for the year attributable to:		
– Equity holders of the Company	9,029,305	10,741,296
– Non-controlling interests	4,980,400	6,227,869
	14,009,705	16,969,165

NOTES:

1 GENERAL INFORMATION

Seazen Group Limited was incorporated in the Cayman Islands on 23 April 2010 as an exempted company with limited liability under the Companies Law (2010 Revision) of the Cayman Islands. The address of its registered office is Grand Pavilion, Hibiscus Way, 802 West Bay Road, P.O. Box 31119, Grand Cayman KY1-1205, Cayman Islands.

The principal activities of the Company and its subsidiaries (together, the “**Group**”) are property development and property investment in the People’s Republic of China (the “**PRC**”). The Company’s parent company is Wealth Zone Hong Kong Investments Limited (“**Wealth Zone Hong Kong**”) and the Company’s ultimate holding company is First Priority Group Limited, both of which are incorporated in the British Virgin Islands. The ultimate controlling party of the Group is Mr. Wang Zhenhua (“**Mr. Wang**” or the “**Controlling Shareholder**”).

To prepare for the initial listing of the Company’s shares on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”), the Group has undertaken a reorganisation (the “**Reorganisation**”) pursuant to which the Company became the holding company of the subsidiaries comprising the Group.

The Company’s shares began to list on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) on 29 November 2012 (the “**Listing**”).

The consolidated financial statements are presented in thousands of Renminbi (“**RMB’000**”), unless otherwise stated.

As at 31 December 2021, the Group’s balance of current liabilities excluding contract liabilities amounted to RMB176,107,714,000. Due to the slow-down of the Mainland China property market since the second half of 2021 which reduced the Group’s pre-sales volume and collection of pre-sale proceeds, the Group had experienced a decline in the business of property development and sales in Mainland China. In addition, the Group is less accessible to financing because of the overall financing condition for property developers in Mainland China. These events and conditions might impose liquidity pressure to the Group.

In view of these circumstances, the Group takes/will take the following measures to maintain sufficient cash to meet its operation needs and financial obligations:

- (i) Actively adjusting sales and pre-sale activities to increase sales and pre-sale volume and enhance collection of sales and pre-sales proceeds;
- (ii) Maintaining continuous communication with the major constructors and suppliers and properly arranging project construction payments, and to complete the properties under development projects as scheduled;
- (iii) Continuously complying with financial covenants and other terms and conditions of the borrowings, timely repaying principle and interests to avoid any default of borrowings, and
- (iv) Continuously communicating with relevant banks and other financial institutions to secure borrowings for property development and operation with pledge of property under development and investment properties, and explore other direct and indirect financing for the Group.

The Group has prepared cash flow forecast for a period of 12 months from 31 December 2021. The cash flow forecast has taken into accounts the anticipated cash flows generated from the Group’s operations, scheduled repayment of borrowings, and obtaining of new borrowings of the Group.

The Directors, after making due enquiries and considering the basis of the projections and continuous measures described above, believe that, the Group will be able to generate sufficient funds to finance its operations and to meet its financial obligations when they fall due within the next 12 months from 31 December 2021. Accordingly, the Directors are satisfied that it is appropriate to prepare the consolidated financial statements on a going concern basis.

The annual results set out in this announcement have been extracted from the Group’s consolidated financial statements for the year ended 31 December 2021 but do not constitute those financial statements.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

(i) *Compliance with HKFRS and HKCO*

The consolidated financial statements have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards (“**HKFRS**”), issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”) and disclosure requirements of the Hong Kong Companies Ordinance Cap. 622 (“**HKCO**”).

(ii) *Historical cost convention*

The consolidated financial statements have been prepared under the historical cost convention, as modified by the revaluation of financial assets and financial liabilities at fair value through profit or loss, financial assets at fair value through other comprehensive income and investment properties, which are carried at fair value.

(iii) *New standard, amendments and interpretation adopted by the Group in 2021*

The Group has applied the following amendments for the first time for their annual reporting period commencing 1 January 2021:

- COVID-19-related Rent Concessions – Amendments to HKFRS 16
- Interest Rate Benchmark Reform – Phase 2 – amendments to HKFRS 9, HKAS 39, HKFRS 7, HKFRS 4 and HKFRS 16

The Group also elected to adopt the following amendments early:

- Annual Improvements to HKFRS Standards (2018-2020 Cycle)
- Deferred Tax related to Assets and Liabilities arising from a Single Transaction – amendments to HKAS 12

The amendments listed above did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

(iv) *Impact of new standard and amendments issued but not yet adopted by the Group*

Certain new accounting standard and amendments have been published but are not mandatory for the 31 December 2021 reporting period and have not been early adopted by the Group. The other yet-to-be adopted new standard and amendments are not expected to have a material impact on the Group’s financial statements when they become effective.

3 SEGMENT INFORMATION

Management has determined the operating segments based on the reports reviewed by the chief operating decision maker (the “**CODM**”) that are used to make strategic decisions. The board of directors has been identified as the CODM.

The Group manages its business by two operating segments, which is consistent with the way in which information is reported internally to the Group’s CODM for the purpose of resources allocation and performance assessment. No operating segments have been aggregated to form the following reportable segments.

- Seazen Holdings Co., Ltd, a company listed on the Shanghai Stock Exchange (the “**A share company**” or “**Seazen Holdings**”).
- Other service companies not within the A share company (the “**Non-A share companies**”).

The A share company is mainly engaged in development of residential properties and mixed-use complexes for sale and investment, while the Non-A share companies are mainly engaged in services. All the property development projects are in the PRC, and accordingly a majority of the revenue of the Group are derived from the PRC and most of the assets are located in the PRC.

The CODM assesses the performance of the operating segments based on a measure of revenue and profit before income tax. The measurement basis excludes the effects of income tax expense.

	Year ended 31 December 2021				
	A share company RMB'000	Non-A share companies RMB'000	Total segment RMB'000	Elimination RMB'000	Total Group RMB'000
Segment revenue	168,231,678	1,555,401	169,787,079	(249,759)	169,537,320
– At a point in time	158,549,733	1,049,845	159,599,578	(3,966)	159,595,612
– Over time	5,266,416	503,102	5,769,518	(123,518)	5,646,000
– Rental income	4,415,529	2,454	4,417,983	(122,275)	4,295,708
Segment profit before income tax expense	21,788,561	3,473,937	25,262,498	(3,865,369)*	21,397,129
Fair value gains on investment properties	2,829,379	17,746	2,847,125	(54,666)	2,792,459
Finance income	406,156	688,841	1,094,997	(656,309)	438,688
Finance costs	(1,309,814)	(627,754)	(1,937,568)	656,309	(1,281,259)
Depreciation and amortisation	(381,562)	(483,195)	(864,757)	–	(864,757)
Share of results of associates	670,344	558,921	1,229,265	(548,562)	680,703
Share of results of joint ventures	1,398,988	(7,473)	1,391,515	–	1,391,515

* The elimination represents mainly the dividends declared by the A share company.

A reconciliation to profit for the year is as follows:

Total segment profits before income tax expense after elimination	21,397,129
Income tax expense	(8,036,135)
Profit for the year	13,360,994

	As at 31 December 2021				
	A share company RMB'000	Non-A share companies RMB'000	Total segment RMB'000	Elimination RMB'000	Total Group RMB'000
Segment assets	534,293,114	18,761,045	553,054,159	(12,945,259)	540,108,900
Segment assets include:					
Investments in associates	13,353,316	2,799,927	16,153,243	(2,174,257)*	13,978,986
Investments in joint ventures	13,122,084	22,690	13,144,774	–	13,144,774
Additions to non-current assets (other than financial instruments and deferred tax assets)	16,961,850	298,543	17,260,393	–	17,260,393
Segment liabilities	437,169,133	14,465,162	451,634,295	(8,944,731)	442,689,564

* The elimination represents mainly the Non-A share companies' associate interests in companies controlled by the A share company.

	Year ended 31 December 2020				
	A share company RMB'000	Non-A share companies RMB'000	Total segment RMB'000	Elimination RMB'000	Total Group RMB'000
Segment revenue	145,475,225	773,817	146,249,042	(130,324)	146,118,718
– At a point in time	138,384,635	333,822	138,718,457	(3,083)	138,715,374
– Over time	4,095,101	439,663	4,534,764	(66,695)	4,468,069
– Rental income	2,995,489	332	2,995,821	(60,546)	2,935,275
Segment profit before income tax expense	26,719,033	2,806,823	29,525,856	(3,140,292)*	26,385,564
Fair value gains on investment properties	2,572,033	(4,343)	2,567,690	(261,467)	2,306,223
Finance income	512,192	574,052	1,086,244	(526,633)	559,611
Finance costs	(1,280,049)	(386,197)	(1,666,246)	526,633	(1,139,613)
Depreciation and amortisation	(564,763)	(336,297)	(901,060)	–	(901,060)
Share of results of associates	1,742,056	166,499	1,908,555	(157,342)	1,751,213
Share of results of joint ventures	1,145,351	37,112	1,182,463	–	1,182,463

* The elimination represents mainly the dividends declared by the A share company.

A reconciliation to profit for the year is as follows:

Total segment profits before income tax expense after elimination	26,385,564
Income tax expense	(10,267,182)
Profit for the year	<u>16,118,382</u>

	As at 31 December 2020				
	A share company RMB'000	Non-A share companies RMB'000	Total segment RMB'000	Elimination RMB'000	Total Group RMB'000
Segment assets	<u>537,752,834</u>	<u>17,927,019</u>	<u>555,679,853</u>	<u>(11,191,781)</u>	<u>544,488,072</u>
Segment assets include:					
Investments in associates	12,172,175	3,054,961	15,227,136	(2,502,639)*	12,724,497
Investments in joint ventures	10,154,017	30,164	10,184,181	–	10,184,181
Additions to non-current assets (other than financial instruments and deferred tax assets)	<u>20,051,543</u>	<u>671,895</u>	<u>20,723,438</u>	<u>–</u>	<u>20,723,438</u>
Segment liabilities	<u>455,614,365</u>	<u>14,365,899</u>	<u>469,980,264</u>	<u>(6,962,164)</u>	<u>463,018,100</u>

* The elimination represents mainly the Non-A share companies' associate interests in companies controlled by the A share company.

4 TRADE AND OTHER RECEIVABLES AND PREPAYMENTS

	As at 31 December	
	2021	2020
	<i>RMB'000</i>	<i>RMB'000</i>
Trade accounts receivables	784,736	594,190
Notes receivables	26,158	33,292
Total trade receivables	810,894	627,482
Less: Impairment losses	(14,047)	(7,962)
Trade receivables – net	796,847	619,520
Prepayments		
– Prepaid income tax and land appreciate tax	9,063,433	9,053,662
– Prepaid value-added tax and input VAT to be deducted	12,655,126	12,422,537
– Prepaid surcharges and other taxes	744,205	608,708
– Prepayments for construction costs	266,079	277,616
– Others	1,067,346	485,157
	23,796,189	22,847,680
Receivables from government related bodies		
– Earnest money for reconstructing villages	539,540	293,540
– Tender deposits	53,760	627,770
– Advanced proceeds received from customers deposited with a government designated entity	3,098,799	2,240,835
– Government issued coupon for house buyers	50,060	104,276
– Deposits with public housing fund centres	530,339	614,085
– Deposits with property maintenance	101,421	337,393
– Others	828,303	1,032,395
	5,202,222	5,250,294
Less: Impairment losses	(5,722)	(5,775)
	5,196,500	5,244,519
Due from related parties	16,996,949	14,379,146
Less: Impairment losses for particular items	(377,013)	(181,244)
	16,619,936	14,197,902
Less: Impairment losses for other items	(245,893)	(166,164)
	16,374,043	14,031,738
Receivables from joint ventures partners	2,949,026	4,253,284
Receivables from non-controlling shareholders of subsidiaries	24,329,041	20,395,020
	27,278,067	24,648,304

	As at 31 December	
	2021	2020
	RMB'000	RMB'000
Less: Impairment losses	<u>(488,277)</u>	<u>(330,287)</u>
	26,789,790	24,318,017
Receivables from others		
– Lending to an investee	134,620	260,680
– Other deposits	1,031,433	1,196,658
– Others	3,086,824	2,100,039
	4,252,877	3,557,377
Less: Impairment losses for particular items	<u>(4,307)</u>	<u>(5,187)</u>
	4,248,570	3,552,190
Less: Impairment losses for other items	<u>(75,333)</u>	<u>(47,600)</u>
	4,173,237	3,504,590
Total trade and other receivables and prepayments	78,337,198	71,310,283
Less: Total impairment losses	<u>(1,210,592)</u>	<u>(744,219)</u>
	77,126,606	70,566,064
Less: Non-current portion	<u>(576)</u>	<u>(257,218)</u>
Current portion	77,126,030	70,308,846

The aging of trade receivables and notes receivables based on the invoice date as at 31 December 2021 and 2020 are as follows:

	As at 31 December	
	2021	2020
	RMB'000	RMB'000
Less than 1 year	727,431	568,872
Between 1 and 2 years	74,561	49,663
Between 2 and 3 years	8,902	8,947
	810,894	627,482

The maximum exposure to credit risk at 31 December 2021 and 2020 is the carrying value of each class of receivables mentioned above.

As at 31 December 2021 and 2020, the fair value of trade and other receivables approximate their carrying amounts.

As at 31 December 2021 and 2020, the carrying amounts of trade and other receivables and prepayments are primarily denominated in RMB.

5 SHARE CAPITAL

(a) Authorised shares

	Number of authorised shares <i>HKD share</i>
As at 1 January 2020, 31 December 2020, and 31 December 2021 (par at HKD0.001)	<u>10,000,000,000</u>

(b) Issued shares

	Number of issued shares <i>HKD0.001 each</i>	Ordinary shares <i>RMB'000</i>
Opening balance as at 1 January 2021	6,210,000,000	5,081
Issuance of shares (i)	<u>26,000</u>	<u>—</u>
Closing balance as at 31 December 2021	<u>6,210,026,000</u>	<u>5,081</u>

- (i) For the year ended 31 December 2021, the Group issued a total of 26,000 ordinary shares to the Group's employee as a result of the exercise of the share option granted in 2019 after vesting period with a total exercise price of HKD224,000 (equivalent to RMB188,000).

6 BORROWINGS

	As at 31 December 2021 <i>RMB'000</i>	2020 <i>RMB'000</i>
Non-current, secured:		
– Loans from banks and non-bank financial institutions	53,279,236	46,657,034
– Senior notes	7,301,264	7,466,640
– Financing under securitisation arrangements	<u>6,596,000</u>	<u>6,426,162</u>
	<u>67,176,500</u>	<u>60,549,836</u>
Non-current, unsecured:		
– Loans from banks and non-bank financial institutions	5,443,288	5,736,764
– Middle term notes	3,761,000	5,456,000
– Private placement notes	300,000	1,930,000
– Corporate bonds	6,229,677	7,455,534
– Senior notes	<u>13,932,622</u>	<u>15,858,814</u>
	<u>29,666,587</u>	<u>36,437,112</u>
Less: Current portion of long-term borrowings	<u>(30,796,128)</u>	<u>(23,569,854)</u>
	<u>66,046,959</u>	<u>73,417,094</u>

	As at 31 December	
	2021	2020
	RMB'000	RMB'000
Current, secured:		
– Loans from banks and non-bank financial institutions	3,974,712	2,712,229
– Financing under securitisation arrangements	–	1,513,000
	3,974,712	4,225,229
Current, unsecured:		
– Loans from banks and non-bank financial institutions	875,895	1,018,907
– Corporate bonds	–	10,000
– Short-term commercial paper	–	1,750,000
– Senior notes	1,265,919	652,490
	2,141,814	3,431,397
Interest payable of short-term borrowings	7,700	–
Current portion of long-term borrowings	30,796,128	23,569,854
Interest payable of long-term borrowings	1,248,786	–
	38,169,140	31,226,480

7 TRADE AND OTHER PAYABLES

	As at 31 December	
	2021	2020
	RMB'000	RMB'000
Notes payable	6,681,502	6,785,407
Trade payables	53,648,921	51,599,338
Payables to related parties	25,330,032	29,165,794
Output VAT on contract liabilities to be transferred	16,843,230	17,530,771
Advances from non-controlling shareholders of subsidiaries	5,379,997	8,243,104
Deposits for construction biddings and rental deposits	3,853,824	3,563,959
Amounts received for potential investments in property projects	3,378,080	2,445,171
Accrued expenses	2,466,737	2,077,784
Value-added tax and other taxes payable	1,517,885	2,207,633
Accrued payroll	1,128,525	1,924,699
Payables for acquisition of subsidiaries, joint ventures and associates	526,459	980,937
Prepayment of resettlement housing	–	1,850,000
Others	2,989,020	5,773,712
	123,744,212	134,148,309
Less: Non-current portion	–	–
Current portion	123,744,212	134,148,309

The aging analysis of trade payables and notes payable based on the invoice date as at 31 December 2021 and 2020 are as follows:

	As at 31 December	
	2021	2020
	RMB'000	RMB'000
Less than 1 year	57,540,753	57,958,807
Between 1 and 2 years	2,789,670	1,709,748
Between 2 and 3 years	–	339,674
Over 3 years	–	454,300
	60,330,423	60,462,529

As at 31 December 2021 and 2020, the fair value of trade and other payables approximate their carrying amounts.

As at 31 December 2021 and 2020, the carrying amounts of trade and other payables are primarily denominated in RMB.

8 REVENUE

The Group derives revenue from the transfer of goods and services over time and at a point in time in the following major line:

	Year ended 31 December	
	2021	2020
	RMB'000	RMB'000
Revenue from contract with customers recognised at a point in time		
A share company		
– Sales of properties	158,118,149	137,577,933
– Others services	431,584	806,702
Non-A share companies		
– Others services	1,045,879	330,739
	159,595,612	138,715,374
Revenue from contract with customers recognised over time		
A share company		
– Commercial property management services	3,430,166	2,373,081
– Others services	1,712,732	1,655,325
Non-A share companies		
– Others services	503,102	439,663
	5,646,000	4,468,069
Rental income		
A share company	4,293,254	2,934,943
Non-A share companies	2,454	332
	4,295,708	2,935,275
	169,537,320	146,118,718

9 EXPENSES BY NATURE

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

	Year ended 31 December	
	2021 <i>RMB'000</i>	2020 <i>RMB'000</i>
Construction costs	76,952,562	61,489,124
Land use rights costs	43,635,446	37,195,956
Capitalised interest	10,882,031	9,240,143
Staff costs	6,179,061	6,375,593
Provision for impairment of properties held or under development for sale	4,837,431	1,597,021
Sales commission	1,880,120	1,213,092
Advertising and publicity costs	1,811,533	1,912,602
Tax and surcharges	1,570,710	1,198,376
Professional fees	837,298	640,746
Depreciation of property, plant and equipment	572,640	585,143
Travelling expenses	316,105	233,254
Amortisation of right-of-use assets and intangible assets	292,117	315,917
Entertainment expenses	246,192	145,274
Bank charges	197,011	208,508
Auditors' remuneration		
– annual audit of the Group	2,200	2,400
– annual audit of the A share company charged by its auditor	5,680	5,380
– non-audit services	2,850	1,854
Rental expenses of low-value and short-term leases	3,771	3,983
Other expenses	2,041,527	2,454,581
	<hr/>	<hr/>
Total cost of sales and services, selling and marketing expenses and administrative expenses	152,266,285	124,818,947
	<hr/>	<hr/>

10 FINANCE INCOME AND COSTS

	Year ended 31 December	
	2021	2020
	<i>RMB'000</i>	<i>RMB'000</i>
Finance costs		
– Interest on borrowings	(6,282,027)	(6,548,312)
– Significant financing component of pre-sale contracts	(6,295,782)	(5,987,775)
– Interest and finance charges paid/payable for lease liabilities	(42,637)	(61,487)
– Less: Interest capitalised	<u>11,231,764</u>	<u>10,966,887</u>
	<u>(1,388,682)</u>	<u>(1,630,687)</u>
– Net foreign exchange gains	<u>107,423</u>	<u>491,074</u>
Total finance costs	<u>(1,281,259)</u>	<u>(1,139,613)</u>
Finance income		
– Interest income on bank deposits	<u>438,688</u>	<u>559,611</u>
Net finance costs	<u>(842,571)</u>	<u>(580,002)</u>

11 INCOME TAX EXPENSE

	Year ended 31 December	
	2021	2020
	<i>RMB'000</i>	<i>RMB'000</i>
Current income tax		
– PRC land appreciation tax	3,470,535	4,482,325
– PRC corporate income tax	<u>5,051,282</u>	<u>5,448,316</u>
	<u>8,521,817</u>	<u>9,930,641</u>
Deferred income tax	<u>(485,682)</u>	<u>336,541</u>
Total income tax charged for the year	<u>8,036,135</u>	<u>10,267,182</u>

Cayman Island income tax

The Company is incorporated in the Cayman Islands as an exempted company with limited liability under the Companies Law of Cayman Islands and accordingly, is exempted from Cayman Islands income tax.

British Virgin Islands income tax

British Virgin Islands (“BVI”) income tax under the current laws of BVI, our subsidiaries incorporated in BVI and all dividends, interest, rents, royalties, compensation and other amounts paid by such subsidiaries incorporated in the BVI to persons who are not resident in the BVI and any capital gains realised with respect to any shares, debt obligations, or other securities of such subsidiaries incorporated in the BVI by persons who are not resident in the BVI are exempt from all provisions of the Income Tax Ordinance in the BVI. In addition, upon payments of dividends by our BVI subsidiaries to us, no BVI withholding tax is imposed.

Hong Kong profits tax

Hong Kong profits tax has been provided at 16.5% for as the Group has assessable profits in Hong Kong during the year (2020: 16.5%).

PRC corporate income tax

Under the Corporate Income Tax Law of the PRC (the “CIT Law”), the CIT rate applicable to the Group’s subsidiaries located in mainland China is 25%.

The CIT Law and its implementation rules impose a withholding tax at 10% for dividends distributed by a PRC-resident enterprise to its immediate holding company outside the PRC for earnings generated beginning 1 January 2008 and undistributed earnings generated prior to 1 January 2008 are exempted from such withholding tax. A lower 5% withholding tax rate may be applied when the immediate holding companies are established in Hong Kong according to the tax treaty arrangement between the PRC and Hong Kong. For the year ended 31 December 2021, the Group accrued for PRC withholding tax based on the tax rate of 5% on a portion of the earnings generated by its PRC entities. The Group controls the dividend policies of these subsidiaries and it has been determined that it is probable that a majority of these earnings will not be distributed in the foreseeable future.

Land appreciation tax

PRC land appreciation tax 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 lease charges for land use rights and all property development expenditures, and is included in the consolidated statement of profit or loss as income tax expense.

12 EARNINGS PER SHARE

Basic earnings per share for the year is calculated by dividing the profit of the Group attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the year.

	Year ended 31 December	
	2021	2020
Consolidated profit attributable to equity holders of the Company (RMB’000)	8,590,624	10,178,247
Weighted average number of ordinary shares in issue (’000)	6,185,380	6,186,533
Basic earnings per share (RMB)	1.39	1.65

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. The Company's share based payment schemes are of dilutive potential.

	Year ended 31 December	
	2021	2020
Profit attributable to equity holders of the Company	8,590,624	10,178,247
Dilution effect arising from share-based awards issued by the A share company	(23,643)	–
Profit attributable to equity holders of the Company for the calculation of diluted earnings per share	8,566,981	10,178,247
Weighted average number of ordinary shares in issue ('000)	6,185,380	6,186,533
Add: number of dilutive shares ('000)	2,341	25
Weighted average number of ordinary shares in issue and potential ordinary shares used as the denominator in calculating diluted earnings per share ('000)	6,187,721	6,186,558
Diluted earnings per share (RMB)	1.38	1.65

13 DIVIDENDS

No interim dividend was declared during the year (2020: no interim dividend was declared during the year).

At a Board meeting held on 30 March 2022, the Board did not propose to declare the final dividend for the year ended 31 December 2021 (2020: RMB0.41 per share).

At a Board meeting held on 26 March 2021, the Board proposed a dividend for 2020 of RMB0.41 per ordinary share, amounting to RMB2,546,100,000, using the share premium account and the retained earnings account. As at 31 December 2021, dividends mentioned above had been fully paid.

14 FINANCIAL GUARANTEES AND CONTINGENT LIABILITIES

(a) Guarantees on mortgage facilities

	As at 31 December	
	2021	2020
	RMB'000	RMB'000
Guarantees in respect of mortgage facilities for certain purchasers of the Group's properties	73,048,940	80,015,103

The Group has arranged bank financing for certain purchasers of the Group's properties and provided guarantees to secure obligations of such purchaser for repayments. Such guarantees will terminate upon the earlier of (i) the issue of the real estate ownership certificate by government authorities to the purchaser which will generally occur within an average period of two to three years from the completion of the guarantee registration and submitted to the mortgage bank; or (ii) the satisfaction of mortgage loans by the purchasers of the properties.

Pursuant to the terms of the guarantees, upon default of mortgage payments by these purchasers, the Group is responsible to repay the outstanding mortgage principal together with accrued interest and penalties owed by the defaulting purchasers to the banks and the Group is entitled to take over the legal title and possession of the related properties. The Group's guarantee period starts from the date of grant of mortgage. The directors consider that the likelihood of default of payments by the purchasers is minimal.

(b) Corporate guarantees

There are certain corporate guarantees provided by the Group's subsidiaries for each other in respect of borrowings as at 31 December 2021 and 2020. The directors consider that the subsidiaries are able to sufficiently financially resourced to settle their obligations.

As at 31 December 2021, the Group provided guarantee with the amount of RMB10,556 million (as at 31 December 2020: RMB13,605 million) for its joint ventures and associates to obtain borrowings after assessing the credit history and pledge information of these related parties. The Group closely monitors the repayment progress of the relevant borrowings by these related parties. In the opinion of the directors of the Group, the related party transactions were carried out in the normal course of business and at terms mutually negotiated between the Group and the respective related parties. The directors consider that the likelihood of default in payments is minimal, as all the related parties are engaged in property development with solid financial position.

(c) Pending litigation

The Group was involved in certain outstanding legal disputes as at 31 December 2021. Among these, there is a pending litigation on the validity of a share transfer agreement which involves approximately RMB1,015,714,000. The case was first judged whereby the Group won. However, it was judged again by the court with the result that the share transfer was invalid. The Group appealed against this decision. The Group has also evaluated the uncertainty about profit distribution and did not recognize any investment income. Accordingly, no additional provision is considered necessary.

15 EVENTS AFTER THE BALANCE SHEET DATE

- (a) On 2 December 2021, the Company proposed a Rights Issue on the basis of one rights share for every twenty-one existing shares held on 4 January 2022 at the subscription price of HKD5.30 per rights share.

The Company completed the rights issue on 27 January 2022, and 295,715,521 rights shares in total were allotted and issued by the Company to the Qualifying Shareholders. The net proceeds raised from the Rights Issue were approximately HKD1,559.79 million.

- (b) On 18 February 2022, New Metro Global Limited, one of the subsidiaries of the Group, redeemed the principal of USD159.51 million senior notes before it fell due, and the remaining principal of USD40.49 million was repaid on 20 March 2022 when the senior notes matured.
- (c) On 16 March 2022, Seazen Holdings repaid the middle term note with the principal of RMB1.43 billion when it matured.
- (d) On 20 March 2022, Seazen Holdings repaid the corporate bond with the principal of RMB999.8 million when it matured.

MANAGEMENT DISCUSSION AND ANALYSIS

Review and Prospects

In the past year of 2021, the recovery of the global economy has been uncertain. Meanwhile, the economic development also suffered a setback from pandemic prevention and control measures. With the main policy keynote of “homes are for living in, not for speculation”, deleveraging is thoroughly implemented in the real estate industry and differentiation has been accelerated in the industry, industrial integration and healthy development has become the focus in the industry.

In face of the challenges and uncertainties in the market, the Company addressed the new industry pattern and made progress through stability, and flexibly adjusted to policy regulations. As we pursued “recovering sales”, the aggregated contracted sales in the year were approximately RMB233.775 billion, with aggregated sales area of approximately 23.5473 million sq.m., forming a solid foundation for future income. In terms of business operation, in compliance with the current objectives of the Company, we achieved our goal of total commercial operating income of RMB8.5 billion.

The investment activities of the Company throughout the year was timely adjusted according to policy regulations and market conditions, with the deployment of its land bank being constantly optimized. As at the end of 2021, the Company’s land bank in 129 cities across the country amounted to a total of 138 million sq.m., of which 37% are located in first and second-tier cities and 30% are located in third and fourth-tier cities in Yangtze River Delta Area. Throughout the year, the Company newly acquired 77 parcels of land (total gross floor area (“GFA”): 21.58 million sq.m.), taking solid steps to lay a foundation of the future development of the Company.

The Company added 30 Wuyue Plazas that were newly opened and under entrusted management throughout the year. As at 31 December 2021, the Company has opened 130 plazas (including those under entrusted management), with an overall occupancy rate of 97.63% and total commercial operating income of RMB8.639 billion, representing a year-on-year increase of 51%. Thus, the number of the Wuyue Plazas that are in operation, under development and proposed for development reached 188, covering 135 cities in the country. With the continuous growth of business operation capability, Wuyue Plazas will contribute more to the constant profitability of the Company and usher the Company through the current challenges in the industry.

To the best knowledge of the Company, constant promotion and implementation of environmental, social and governance (ESG) serves as the everlasting core of sustainability for enterprises. In 2021, the Company actively pushed forward the implementation of its commitment to the society and environment. In June, the Company obtained the “Green Finance Pre-issuance Stage Certification” issued by the Hong Kong Quality Assurance Agency (HKQAA) by establishing a green financial framework, representing the rating agencies’ recognition of the ESG development philosophy of the Company and its implementation. The Company’s MSCI ESG rating has improved to BB, as the Company has incorporated green and low-carbon development into daily business and management so as to better discharge the responsibility as a corporate citizen.

The positive development and credit structure of the Company have been recognized by international rating agencies. In the 2021 reports issued successively by international rating agencies Standard & Poor’s and Moody’s, Seazen Group and Seazen Holdings, a subsidiary of Seazen Group, were rated Ba1 and BB+.

In 2022, the industrial regulation policies will keep leaning towards a more sustainable development. Facing the challenges in the industry, the Company remains adhering to its strategy of “dual-drive”. With the demand of the customers in mind, we will focus on increasing productivity and standard of services, uphold strategic investment discipline and persist with our urban penetration strategy.

The Company will emphasize more on cashflow and profit management, enhance organizational synergy and increase operation efficiency. The Company will take initiatives regarding strategic planning, green finance, green development, green operation and other aspects, implementing the green and low carbon plan in pursuit of sustainable development.

Looking forward to 2022, the Company will persist to uphold the development philosophy of achieving growth with stability in a hope of continuing its journey in the wave of the era.

Property Development

In 2021, the Group recorded contracted sales of approximately RMB233,775 million. Contracted sales was approximately 23.55 million sq.m. in GFA. The aggregate contracted selling price (excluding carparks sales) for the year was RMB11,465 per sq.m..

Table 1: Details of contracted sales of the Group in 2021

The following table sets out the geographic breakdown of the Group's contracted sales in 2021:

Province/Region	Contracted GFA sold (sq.m.)	Contracted sales (RMB million)
Yangtze River Delta Area		
Jiangsu Province	6,816,497	79,739
Zhejiang Province	2,191,427	30,201
Anhui Province	1,292,400	10,855
Shanghai City	231,886	3,225
Central and Western China Area		
Hunan Province	1,102,305	9,514
Hubei Province	1,156,317	9,368
Chongqing City	907,800	7,270
Henan Province	808,696	6,060
Sichuan Province	772,385	5,040
Guizhou Province	688,269	4,821
Yunnan Province	644,656	3,987
Shaanxi Province	412,577	3,723
Jiangxi Province	484,427	3,699
Shanxi Province	451,245	2,718
Guangxi Zhuang Autonomous Region	452,202	2,349
Qinghai Province	174,193	1,741
Xinjiang Uygur Autonomous Region	191,700	1,712
Inner Mongolia Autonomous Region	234,752	1,438
Ningxia Hui Autonomous Region	129,772	878
Gansu Province	61,317	871

Province/Region	Contracted GFA sold (sq.m.)	Contracted sales (RMB million)
Bohai Rim Area		
Shandong Province	1,707,406	13,895
Tianjin City	792,283	9,822
Beijing City	200,548	5,531
Hebei Province	461,595	4,234
Liaoning Province	125,286	1,052
Jilin Province	2,811	24
Greater Bay Area and Other Areas		
Guangdong Province	899,863	8,282
Fujian Province	150,155	1,718
Hainan Province	2,483	8
Total	23,547,253	233,775

Land Bank

As at 31 December 2021, the land bank of the Group was approximately 138 million sq.m.. The historical average acquisition cost of land bank was approximately RMB2,709 per sq.m.. The geographic spread of the land bank of the Group as at 31 December 2021 was as follows:

Table 2: Details of land bank of the Group

City/Region	Full-caliber land bank (sq.m.)	Percentage of the Group's total land bank (%)	Attributable land bank (sq.m.)	Percentage of the Group's attributable land bank (%)
Yangtze River Delta Area				
Suzhou	4,826,570	3.50%	2,278,747	3.13%
Xuzhou	4,094,526	2.97%	2,389,555	3.28%
Huai'an	3,902,482	2.83%	1,876,907	2.58%
Changzhou	3,830,360	2.78%	1,525,698	2.09%
Suqian	2,971,594	2.16%	1,719,961	2.36%
Yancheng	2,881,779	2.09%	1,605,909	2.20%
Wenzhou	2,401,738	1.74%	810,845	1.11%
Lianyungang	2,352,866	1.71%	701,178	0.96%
Nantong	2,262,474	1.64%	680,535	0.93%
Fuyang	1,976,945	1.44%	1,194,930	1.64%
Taizhou	1,911,388	1.39%	927,911	1.27%
Nanjing	1,753,103	1.27%	572,947	0.79%
Taizhou	1,687,461	1.23%	513,369	0.70%
Yangzhou	1,287,961	0.94%	807,153	1.11%
Zhenjiang	1,238,928	0.90%	621,658	0.85%
Huzhou	1,147,037	0.83%	613,646	0.84%
Chuzhou	992,386	0.72%	644,717	0.88%
Jiaxing	808,280	0.59%	260,332	0.36%
Hangzhou	605,933	0.44%	207,748	0.29%
Shanghai	595,691	0.43%	181,108	0.25%
Tongling	535,737	0.39%	355,762	0.49%
Hefei	518,254	0.38%	326,558	0.45%
Huaibei	377,468	0.27%	250,661	0.34%
Wuhu	373,104	0.27%	175,958	0.24%

City/Region	Full-caliber land bank (sq.m.)	Percentage of the Group's total land bank (%)	Attributable land bank (sq.m.)	Percentage of the Group's attributable land bank (%)
Jinhua	269,226	0.20%	97,184	0.13%
Lu'an	267,519	0.19%	177,954	0.24%
Wuxi	266,233	0.19%	89,026	0.12%
Shaoxing	211,671	0.15%	58,749	0.08%
Suzhou	183,963	0.13%	122,163	0.17%
Bengbu	168,068	0.12%	66,300	0.09%
Bozhou	163,997	0.12%	52,896	0.07%
Taicang	115,354	0.08%	15,474	0.02%
Wenling	109,617	0.08%	17,645	0.02%
Ningbo	107,663	0.08%	41,531	0.06%
Ma'anshan	21,677	0.02%	13,940	0.02%
Zhoushan	18,009	0.01%	4,007	0.01%
Central and Western China Area				
Kunming	4,532,706	3.29%	2,585,910	3.55%
Chongqing	4,167,030	3.03%	2,271,538	3.12%
Changsha	2,928,143	2.13%	1,154,376	1.58%
Guiyang	2,773,641	2.01%	1,615,860	2.22%
Zhengzhou	2,311,309	1.68%	1,094,793	1.50%
Urumqi	2,196,205	1.59%	1,172,335	1.61%
Wuhan	2,046,310	1.49%	1,041,503	1.43%
Nanchang	1,521,516	1.10%	588,374	0.81%
Ezhou	1,290,532	0.94%	856,991	1.18%
Baoshan	1,259,536	0.91%	836,407	1.15%
Huangshi	1,228,549	0.89%	776,194	1.07%
Changde	1,187,027	0.86%	788,257	1.08%
Chengdu	1,149,667	0.83%	515,065	0.71%
Shangrao	1,038,450	0.75%	209,413	0.29%
Xiantao	934,065	0.68%	620,275	0.85%
Yongzhou	896,168	0.65%	595,109	0.82%
Datong	849,875	0.62%	570,011	0.78%
Shangqiu	847,652	0.62%	562,892	0.77%

City/Region	Full-caliber land bank (sq.m.)	Percentage of the Group's total land bank (%)	Attributable land bank (sq.m.)	Percentage of the Group's attributable land bank (%)
Yuncheng	795,348	0.58%	529,065	0.73%
Loudi	785,986	0.57%	521,942	0.72%
Anyang	775,246	0.56%	514,810	0.71%
Liupanshui	768,541	0.56%	512,058	0.70%
Baotou	764,162	0.55%	509,141	0.70%
Xining	759,364	0.55%	504,263	0.69%
Taiyuan	721,172	0.52%	478,902	0.66%
Zunyi	707,225	0.51%	471,267	0.65%
Ankang	679,855	0.49%	452,969	0.62%
Guang'an	664,267	0.48%	441,113	0.61%
Xi'an	606,913	0.44%	404,247	0.55%
Yinchuan	602,537	0.44%	404,121	0.55%
Xiaogan	595,551	0.43%	235,464	0.32%
Zhaotong	588,466	0.43%	428,345	0.59%
Xianyang	571,345	0.41%	263,132	0.36%
Qiannan Buyei and Miao Autonomous Prefecture	563,889	0.41%	340,380	0.47%
Xiangtan	554,319	0.40%	368,101	0.51%
Neijiang	551,313	0.40%	368,028	0.51%
Guilin	532,827	0.39%	298,156	0.41%
Yibin	480,289	0.35%	318,941	0.44%
Xuchang	447,325	0.32%	164,610	0.23%
Nanning	424,163	0.31%	184,785	0.25%
Lanzhou	418,838	0.30%	278,611	0.38%
Beihai	417,305	0.30%	277,116	0.38%
Yichang	388,843	0.28%	258,215	0.35%
Suizhou	386,431	0.28%	281,284	0.39%
Xiangyang	353,090	0.26%	257,014	0.35%
Guigang	346,380	0.25%	230,017	0.32%
Baoji	288,453	0.21%	191,550	0.26%
Jingzhou	279,684	0.20%	167,237	0.23%
Luohe	243,855	0.18%	38,942	0.05%
Zhuzhou	205,793	0.15%	68,254	0.09%
Ya'an	202,467	0.15%	84,071	0.12%

City/Region	Full-caliber land bank (sq.m.)	Percentage of the Group's total land bank (%)	Attributable land bank (sq.m.)	Percentage of the Group's attributable land bank (%)
Yan'an	188,649	0.14%	125,274	0.17%
Deyang	186,847	0.14%	124,077	0.17%
Qinzhou	186,254	0.14%	123,684	0.17%
Jiujiang	175,578	0.13%	69,961	0.10%
Leshan	109,595	0.08%	71,462	0.10%
Meishan	91,461	0.07%	34,816	0.05%
Huanggang	54,659	0.04%	11,522	0.02%
Bohai Rim Area				
Tianjin	5,093,819	3.70%	2,543,530	3.49%
Qingdao	2,769,451	2.01%	1,112,240	1.53%
Tai'an	2,521,359	1.83%	1,409,966	1.94%
Yantai	1,187,721	0.86%	593,905	0.82%
Zibo	1,128,283	0.82%	703,635	0.97%
Cangzhou	1,064,556	0.77%	689,044	0.95%
Rizhao	1,035,963	0.75%	581,098	0.80%
Beijing	1,018,075	0.74%	288,832	0.40%
Tangshan	1,015,863	0.74%	458,299	0.63%
Weifang	883,393	0.64%	580,700	0.80%
Dezhou	815,556	0.59%	541,578	0.74%
Dongying	788,157	0.57%	501,231	0.69%
Binzhou	767,763	0.56%	510,819	0.70%
Shenyang	749,809	0.54%	497,918	0.68%
Baoding	498,086	0.36%	163,692	0.22%
Jining	451,993	0.33%	301,727	0.41%
Liaocheng	392,667	0.29%	140,149	0.19%
Jinan	388,398	0.28%	164,778	0.23%
Shijiazhuang	188,990	0.14%	84,926	0.12%
Handan	186,165	0.14%	124,861	0.17%
Weihai	120,611	0.09%	56,577	0.08%
Langfang	73,914	0.05%	49,574	0.07%
Linyi	13,403	0.01%	8,982	0.01%

City/Region	Full-caliber land bank (sq.m.)	Percentage of the Group's total land bank (%)	Attributable land bank (sq.m.)	Percentage of the Group's attributable land bank (%)
Greater Bay Area and Other Areas				
Huizhou	1,828,754	1.33%	843,174	1.16%
Shanwei	878,227	0.64%	589,027	0.81%
Foshan	705,858	0.51%	280,218	0.38%
Yunfu	663,910	0.48%	440,876	0.61%
Zhaoqing	517,961	0.38%	371,924	0.51%
Shenzhen	234,557	0.17%	22,024	0.03%
Guangzhou	190,848	0.14%	59,738	0.08%
Jiangmen	187,511	0.14%	98,508	0.14%
Zhongshan	158,370	0.12%	46,439	0.06%
Dongguan	118,154	0.09%	62,959	0.09%
Fuzhou	649,109	0.47%	269,299	0.37%
Zhangzhou	516,098	0.37%	342,720	0.47%
Other completed projects	9,043,430	6.57%	6,065,428	8.32%
Total	137,706,510	100.00%	72,863,307	100.00%

In 2021, the Group acquired a total of 77 projects to replenish its land bank. The acquired land bank was approximately 21.58 million sq.m. (including those of the Group's joint ventures and associates' projects on a 100% basis) (including underground floor area) whilst the average acquisition cost was approximately RMB3,555 per sq.m..

Table 3: Details of land acquisition from January to December 2021

Location	Name of Land Parcel	Land use	Proportion of interest	Site area (sq.m.)	Total GFA (sq.m.)	Total land premium (RMB million)
Nanjing	Seazen Yunyue Guanshanfu in Qixia District, Nanjing	Residential	16.07%	70,029	202,644	3,810
	Yuejiang Shidai Project in Jiangbei New District, Nanjing	Residential	9.64%	66,057	225,191	3,600
	Seazen Feili Bowan in Qinhuai District, Nanjing	Residential	31.51%	27,022	93,940	2,490
	Seazen Mingzhu Fenghua Project in Jiangning District, Nanjing	Residential	31.51%	44,036	124,494	1,990
	Seazen Shangchen Yunji in Jiangning District, Nanjing	Residential	8.66%	46,365	157,910	1,530
Tianjin	Seazen Xiyuechunqiu in Wuqing District, Tianjin	Residential	33.87%	126,177	298,111	2,620
	Seazen Xiyue Chaoming in Baodi District, Tianjin	Residential	37.85%	114,825	291,186	1,235
	Land Parcel in Jingwu Town, Xiqing District, Tianjin	Residential	33.20%	67,941	131,373	925
	Tianjin Baodi Project	Commercial	66.41%	104,386	315,779	675
	Seazen Yunyue Jiuzhang in Beichen District, Tianjin	Residential	39.85%	36,971	87,460	622
	Seazen•Boyue in Baodi District, Tianjin	Residential	36.53%	42,417	104,830	416
	Seazen Wanqing•Shiguangli in Baodi District, Tianjin	Residential	34.05%	25,508	63,124	208
	Seazen Yuejun Xuefu in Wuqing District, Tianjin	Residential	39.85%	19,485	41,728	160
	Haishang Fenghua in Qingjiangpu District, Huai'an	Residential	20.87%	207,679	680,675	2,015
	Huai'an Qinzhen Road Project	Residential	18.98%	99,459	347,632	1,063
Huai'an	Lianshui Binhe Project	Commercial	66.41%	267,967	608,550	692
	Seazen Heyuefu in Lianshui County, Huai'an	Residential	36.05%	66,851	154,424	300
	Tianruifu in Huaiyin District, Huai'an	Residential	16.98%	57,269	224,979	193
	Huai'an Xuyi Project	Commercial	66.41%	21,674	47,763	33
	Jianghai Mingdi in Jinhai Lake District, Wenzhou	Residential	16.69%	117,959	457,507	2,226
Wenzhou	Kaidi•Seazen Boke Park, Longwan District, Wenzhou	Residential	28.54%	66,134	276,787	1,932
	Xingsheng Garden	Residential	15.96%	79,705	324,826	3,712
Foshan	Nantong Haimen Sanxing Town Zhenmeng Avenue East Project	Residential	33.84%	63,905	173,712	1,145
Nantong	Seazen Daye Fenghua Huayuan in Haimen District, Nantong	Residential	33.80%	61,933	156,671	1,001
	Nantong Rudong County Seazen Zhaoshang Yonghuafu Project	Residential	19.99%	56,925	159,649	660
	Chenxing Yayuan in Rugao City, Nantong	Residential	33.98%	31,017	95,438	533

Location	Name of Land Parcel	Land use	Proportion of interest	Site area (sq.m.)	Total GFA (sq.m.)	Total land premium (RMB million)
Yantai	Yantai Zhifu Project	Commercial	66.41%	132,507	531,500	1,795
	Yantai Hi-Tech Project	Commercial	33.20%	158,135	508,288	959
Taizhou	Jinlinfu in Yuhuan City, Taizhou	Residential	13.35%	75,476	215,432	1,420
	Taizhou Wenling Yunyuetianjing Xiaoqu	Residential	26.55%	39,525	187,732	699
	Taizhou Wenling Yunyue Longwanyuan	Residential	32.72%	18,208	42,511	480
Yancheng	Seazen Langyuefu in Tinghu District, Yancheng	Residential	63.25%	43,135	125,278	1,211
	Seazen Yuntu Garden in Economic Development Zone, Yancheng	Residential	22.48%	68,215	224,200	1,000
Lianyungang	Lianyungang Mount Huaguo Project	Residential	25.30%	429,086	1,572,532	1,457
	Seazen Minyue Tianjiao in High-tech Zone, Lianyungang	Residential	25.29%	40,942	145,430	676
Guangzhou	Land parcel on the east of Fulong Road, Zhongluotan Town Project	Residential	31.30%	42,632	190,848	2,091
Zhangzhou	Zhangzhou Longwen Project	Commercial	66.41%	125,721	516,098	1,930
Xiantao	Xiantao Nancheng Project	Commercial	66.41%	279,284	934,065	1,789
Suzhou	Seazen Yayue Lanting in Xiangcheng District, Suzhou	Residential	32.64%	49,913	130,583	1,231
	Seazen Jiangyue Fenghua Garden in Zhangjiagang City, Suzhou	Residential	26.26%	29,607	80,327	229
	Seazen Yunyue Shiguang Garden in Zhangjiagang City, Suzhou	Residential	40.11%	20,785	62,714	179
Changzhou	Seazen Lujin Xi'an Yunqi Garden in Wujin District, Changzhou	Residential	18.89%	49,724	119,305	925
	Seazen Qinhua Chunqiu Garden in Wujin District, Changzhou	Residential	19.27%	42,605	95,796	482
Wenling	Wenling Seazen Yunyuejiuxi	Residential	16.10%	46,829	109,617	1,349
Tangshan	Tangshan Lunan Xiezhuang Project	Residential	33.87%	73,997	201,175	944
	Tangshan Lunan Seazen Ruifu	Residential	33.87%	42,906	149,014	403
Urumqi	Urumqi Hi-Tech Project	Commercial	66.41%	250,182	478,536	1,220
Jiaxing	Seazen Yuechenli in Pinghu City, Jiaxing	Residential	11.11%	66,703	201,423	956
	Yuechenting in Pinghu City, Jiaxing	Residential	11.11%	18,000	57,622	249
Jinhua	Yanzhou Yunjingfu in Jiande City, Jinhua	Residential	40.24%	66,434	181,557	1,124
Shangqiu	Shangqiu Suiyang Project	Commercial	66.41%	263,268	847,652	1,106
Huangshi	Huangshi Daye Project	Commercial	66.41%	264,446	919,854	1,040
Loudi	Loudi Louxing Project	Commercial	66.41%	181,560	785,986	953
Zhengzhou	Zhengzhou Guancheng Land Parcel No. 4 of Seazen Shiguang Yinxiang (apartment)	Residential	60.62%	39,769	82,099	716
	Zhengzhou Gongyi Seazen Future Glory	Residential	32.58%	24,361	64,615	118
Xianyang	Xianyang Seazen Yunjing	Residential	34.13%	99,935	360,199	823
Fuzhou	Seazen Zhuoyue Rongyu Fenghua in Jin'an District, Fuzhou	Residential	32.90%	32,669	106,121	814

Location	Name of Land Parcel	Land use	Proportion of interest	Site area (sq.m.)	Total GFA (sq.m.)	Total land premium (RMB million)
Ezhou	Ezhou Echeng Project	Commercial	66.41%	152,288	389,652	812
Fuyang	Fuyang Yingshang Project	Commercial	66.41%	337,748	933,149	753
Suqian	Suqian Siyang Project	Commercial	66.41%	107,912	107,912	745
Yibin	Yibin Cuiping Project	Commercial	66.41%	106,871	480,289	738
Wuhan	Wuhan Caidian Project	Commercial	33.21%	108,936	349,173	714
Rizhao	Rizhao Donggang Seazen Feili Glory	Residential	40.21%	44,918	126,910	675
	Rizhao Donggang Project	Commercial	66.41%	1,343	3,358	6
Zibo	Zibo Zhoucun Project	Commercial	66.52%	198,480	631,991	675
Nanchang	Seazen Tianyucheng in Nanchang County, Nanchang	Residential	19.92%	145,610	330,840	660
Nanning	Zhaoshang Seazen Zhenyuefu in Yongning District, Nanning	Residential	13.68%	31,074	110,460	637
Yongzhou	Yongzhou Lingling Project	Commercial	66.41%	223,169	896,168	630
Taicang	Suzhou Taicang Seazen Huayu Jing'an	Residential	13.41%	41,329	115,354	623
Chengdu	Chengdu Jinniu Seazen Deshang Rongyu Tianjiao	Residential	31.94%	21,788	70,536	582
Baoding	Seazen Jinyue Wanxiang Phase II in Lianchi District, Baoding	Residential	32.86%	74,412	293,103	503
Shaoxing	Seazen Jiushangfu in Yuecheng District, Shaoxing	Residential	21.59%	39,207	134,006	495
Wuhu	Wuhu Zhongfang Seazen Tangyuewan	Residential	32.85%	55,392	156,002	325
	Seazen Yikang Nanhu Yunjing in Wanzhi District, Wuhu	Residential	34.19%	20,744	49,021	128
Tai'an	Seazen Wuyuexiu in Daiyue District, Tai'an	Residential	33.21%	62,662	112,626	376
Zhenjiang	Seazen Junhe Yayuan in Dingmao New District, Zhenjiang	Residential	25.21%	31,372	99,969	292
Chongqing	Yunyue Shangjing in Wanzhou District, Chongqing	Residential	29.32%	56,018	111,573	192

Property Investment

The Group's investment properties were mainly deduced from the 125 Wuyue Plazas in operation as at 31 December 2021.

Table 4: Details of rental and management fee income from investment properties of the Group in 2021

Province	Number of plazas	Occupancy rate	Rental and management fee income for 2021 <i>RMB'000</i>	Rental and management fee income for 2020 <i>RMB'000</i>
Jiangsu	37	98.68%	2,768,046	1,932,654
Zhejiang	16	99.59%	1,373,036	1,015,605
Anhui	12	95.84%	713,557	473,697
Shaanxi	6	96.87%	466,392	382,201
Shandong	7	96.25%	300,546	166,404
Hunan	4	98.79%	273,384	182,753
Guangxi	5	94.59%	259,873	181,013
Yunnan	5	96.43%	227,141	112,469
Hubei	4	100.00%	216,822	34,305
Jiangxi	3	99.25%	208,351	182,724
Sichuan	4	97.02%	201,616	139,440
Jilin	2	98.46%	146,304	109,919
Hainan	1	100.00%	141,374	116,308
Tianjin	3	100.00%	121,253	91,184
Hebei	2	99.15%	117,354	23,781
Shanghai	2	99.13%	139,721	138,061
Guizhou	2	98.53%	91,100	14,144
Qinghai	1	99.03%	84,979	17,415
Inner Mongolia	3	89.01%	72,695	23,506
Fujian	1	95.28%	56,484	—
Liaoning	1	100.00%	30,561	—
Henan	1	100.00%	29,143	—
Ningxia	1	100.00%	14,395	—
Chongqing	2	100.00%	11,553	—
Guangdong	1	100.00%	6,991	—

Note:

1. The data of Shanghai includes the occupancy of the offices of Shanghai Seazen Holdings Tower B. As at 31 December 2021, the Company owned 115 Wuyue Plazas in operation and 10 Wuyue Plazas in operation providing entrusted management services. In addition, 5 contracted Wuyue Plazas were in the process of transfer and transition, and thus their income was not included in the scope of the Company's statistics.
2. Rental income includes rentals, management fee, carpark, various operation and other sporadic management income.
3. The Company's total commercial operating income for 2021 was RMB8.639 billion (i.e. tax-included rental income), including: rentals, management fee, carpark, various operation and other sporadic management income from shops, office buildings and shopping centres; the Company's total commercial operating income for 2020 was RMB5.721 billion (i.e. tax-included rental income).
4. The occupancy rate represents the occupancy of the commercial property on 31 December 2021.

The Group did not hold any other significant investments except for the aforementioned investment properties as at 31 December 2021.

Property Delivery and Revenue from Sale of Properties

For the year ended 31 December 2021, revenue from sale of properties by the Group was approximately RMB158,118.1 million, representing an increase of 14.9% compared to 2020. Properties with a total GFA of approximately 18,230,865 sq.m. were delivered during the year ended 31 December 2021, representing an increase of 18.5% compared to 2020. Average selling price of properties delivered and recognized as sales was RMB8,673 per sq.m. in 2021.

Table 5: Details of revenue from sale of properties of the Group in 2021

Project	City	Revenue (RMB million)	GFA (sq.m.)	Average selling price (RMB/sq.m.)
Suzhou MOC Xinchenghui	Suzhou	5,735	285,648	20,079
Kunming Chenggong Project	Kunming	3,714	377,233	9,846
Tangshan Lubei Project	Tangshan	2,898	202,016	14,343
Changzhou Jintan Seazen Golden County Garden	Changzhou	2,809	268,060	10,478
Changzhou Xinbei Seazen Yuejun Garden	Changzhou	2,647	132,550	19,968
Jingzhou Shashi Project	Jingzhou	2,509	247,419	10,141
Xiangyang Hi-Tech Project	Xiangyang	2,448	333,513	7,339
Nanjing Jianye Project	Nanjing	2,427	69,825	34,753
Yancheng Dafeng Project	Yancheng	2,277	247,577	9,197
Hefei Binhu Seazen Yunjing	Hefei	2,235	125,349	17,829
Baotou Kunqu Project	Baotou	2,220	289,051	7,679
Jinan Licheng Seazen Xiangyi Huating	Jinan	2,086	205,952	10,129
Zhaoqing Sihui Project	Zhaoqing	2,077	231,593	8,968
Shenyang Shenbei Project	Shenyang	2,070	245,860	8,418
Nanning Yongning Seazen Yuejun Fenghua	Nanning	2,065	189,142	10,920
Deyang Jingyang Project	Deyang	2,041	319,233	6,393
Yan'an Baota Project	Yan'an	1,991	301,225	6,610
Yancheng Dongtai Project	Yancheng	1,953	254,004	7,690
Nantong Qidong Seazen Diehu Shijiewan	Nantong	1,866	136,622	13,658
Huzhou Deqing Seazen Duhui Mingdi	Huzhou	1,859	144,960	12,826
Wuhan Hongshan Wuhan Seazen Yuejingtai	Wuhan	1,853	140,976	13,142
Suizhou Zengdu Project	Suizhou	1,826	298,099	6,125
Suqian Sucheng Seazen Xiyuefu	Suqian	1,819	216,600	8,400
Lu'an Yu'an Project	Lu'an	1,749	274,333	6,374
Dongguan Zhangmutou Seazen Xiyue Garden	Dongguan	1,672	76,009	21,993
Baotou Donghe Project	Baotou	1,656	252,457	6,558
Tianjin Binhai New Area Seazen Yuefu	Tianjin	1,585	98,391	16,110
Taizhou Xinghua Project	Taizhou	1,574	194,579	8,091
Langfang Guangyang Hyatt Garden	Langfang	1,545	146,710	10,531
Huzhou Wuxing Seazen Central Park	Huzhou	1,543	141,632	10,896
Guigang Gangbei Project	Guigang	1,533	272,112	5,633
Suqian Economic Development Zone Seazen Yuejun	Suqian	1,531	227,962	6,717
Wuhan Dongxihu Wuhan Seazen Taolijun	Wuhan	1,524	131,183	11,616
Jining Taibai Lake Project	Jining	1,514	146,526	10,335

Project	City	Revenue (RMB million)	GFA (sq.m.)	Average selling price (RMB/sq.m.)
Xining Chengdong Project	Xining	1,505	104,559	14,393
Guiyang Yunyan Seazen Xiyuetai	Guiyang	1,493	151,831	9,833
Ningbo Cixi Project	Ningbo	1,486	125,460	11,847
Zhaotong Zhaoyang Project	Zhaotong	1,480	199,997	7,398
Huzhou Wuxing Project	Huzhou	1,477	108,154	13,653
Huzhou Deqing Seazen Duhui Lanxuan	Huzhou	1,474	108,708	13,555
Suzhou Changshu Seazen Yuejun Huating	Suzhou	1,468	129,268	11,353
Nantong Rugao Seazen Yuejun Shidai	Nantong	1,455	152,989	9,511
Changzhou Zhonglou Seazen Yujun Garden	Changzhou	1,442	62,789	22,973
Wenzhou Pingyang Seazen Jiangchengli	Wenzhou	1,423	127,616	11,149
Jiaxing Haiyan Project	Jiaxing	1,407	121,225	11,604
Lianyungang Haizhou Project	Lianyungang	1,381	164,923	8,371
Ma'anshan Yushan Seazen Jingyue	Ma'anshan	1,374	185,234	7,417
Zunyi Honghuagang Project	Zunyi	1,370	198,124	6,915
Chengdu Qionglai Seazen Jinyue Huafu	Chengdu	1,323	189,674	6,975
Changsha Changsha Seazen Yuejun	Changsha	1,271	161,242	7,885
Guiyang Qingzhen Project	Guiyang	1,255	166,403	7,541
Zhengzhou Xingyang Seazen Shangjun	Zhengzhou	1,222	171,303	7,135
Yangzhou Gaoyou Project	Yangzhou	1,210	183,098	6,607
Baoji Hi-Tech Project	Baoji	1,193	195,986	6,086
Changsha Yuhua Project	Changsha	1,183	118,589	9,977
Huai'an Lianshui Project	Huai'an	1,160	195,370	5,936
Hefei Feidong Seazen Yunyue Guantang	Hefei	1,157	111,451	10,384
Beihai Yinhai Project	Beihai	1,152	107,933	10,671
Foshan Nanhai Yiming Garden	Foshan	1,134	80,887	14,022
Xuchang Jian'an Jinyutang	Xuchang	1,127	166,696	6,763
Chongqing Yubei Seazen Langjun Daduhui	Chongqing	1,115	94,321	11,818
Nanning Qingxiu Seazen Yuejun Jiangshan	Nanning	1,050	95,703	10,974
Chuzhou Tianchang Project	Chuzhou	1,045	134,090	7,791
Foshan Sanshui Jinghui Haoyuan	Foshan	1,040	101,151	10,285
Guilin Lingui Project	Guilin	1,027	272,957	3,763
Changsha Ningxiang Project	Changsha	1,011	184,129	5,491
Tianjin Dongli Seazen Yuejun Gongyuan	Tianjin	1,001	86,112	11,624
Tianjin Beichen Seazen Yuejun Fenghua	Tianjin	989	117,635	8,411
Kunming Jinning Project	Kunming	957	172,750	5,539
Nanchang Donghu Seazen Legend Mansion	Nanchang	956	65,361	14,630
Zhenjiang Yangzhong Seazen Jiuli Xiangpan	Zhenjiang	952	102,667	9,272
Kunming Anning Project	Kunming	937	150,990	6,206
Huai'an Lianshui Seazen Yuejun Xuefu	Huai'an	937	164,703	5,686
Huai'an Huaiyin Seazen Yuejun	Huai'an	927	134,758	6,883
Nanjing Yuhua Project	Nanjing	916	56,126	16,313
Huangshi Xialu Seazen Huangshi Yuejun Daduhui	Huangshi	912	130,754	6,974
Shanwei Haifeng Seazen Heyue	Shanwei	893	167,342	5,339

Project	City	Revenue (RMB million)	GFA (sq.m.)	Average selling price (RMB/sq.m.)
Zhaoqing Seazen Heyu Construction Project	Zhaoqing	879	166,754	5,271
Yancheng Sheyang Project	Yancheng	870	136,417	6,381
Fuyang Yingzhou Project	Fuyang	864	80,848	10,683
Xuzhou Jiawang Project	Xuzhou	845	149,509	5,655
Xuzhou Gulou Seazen Jiulonghu	Xuzhou	824	49,677	16,588
Wuhan Hannan Seazen Tingrui Junyue Guanlan Project	Wuhan	817	114,654	7,122
Hefei Changfeng Seazen Yuejun Jiuli	Hefei	781	79,882	9,775
Tianjin Binhai New Area Project	Tianjin	779	70,747	11,014
Qingdao Pingdu Seazen Yuejun Daduhui	Qingdao	775	96,043	8,073
Xi'an Lintong Seazen Xiyuelifu	Xi'an	743	90,140	8,247
Huaibei Duji Project	Huaibei	738	141,637	5,213
Weihai Rongcheng Seazen Yuejun Mansion	Weihai	736	115,605	6,363
Bengbu Huaishang Seazen Yuejun Tianzhu	Bengbu	712	122,859	5,795
Yangzhou Baoying Project	Yangzhou	696	92,962	7,484
Huizhou Boluo Seazen Yuejun	Huizhou	649	90,096	7,198
Jiangmen Enping Seazen Future Legend Mansion	Jiangmen	648	118,055	5,488
Jinyue Jiangnan Garden	Huizhou	628	101,341	6,195
Liaocheng Yanggu Seazen Jinyuefu	Liaocheng	613	101,756	6,025
Kunming Anning Seazen Yayue	Kunming	612	105,283	5,813
Tai'an Taishan Project	Tai'an	601	47,003	12,785
Suqian Siyang Seazen Shiguang Yinxiang	Suqian	586	96,157	6,091
Qingdao High-tech Zone Seazen Yunyue Xiaoyuan	Qingdao	575	46,948	12,246
Cangzhou Xinhua Seazen Yuejun Fenghua	Cangzhou	574	58,262	9,848
Xi'an Fengxi Project	Xi'an	566	77,728	7,286
Xuzhou Xinyi Project	Xuzhou	560	75,100	7,452
Zibo Zhoucun Seazen Yuejun Jiangshan	Zibo	557	100,419	5,547
Chongqing Jiangbei Seazen Langcui	Chongqing	523	47,480	11,011
Chuzhou Nanqiao Project	Chuzhou	497	40,635	12,236
Linyi Hedong Seazen Jinyue Mendi	Linyi	492	75,956	6,484
Weifang Zhucheng Seazen Rongyue Daduhui	Weifang	490	97,412	5,032
Jinan Licheng Seazen Yuejun Fenghua	Jinan	488	54,685	8,924
Suqian Shuyang Country Garden Seazen	Suqian	487	55,929	8,713
Zunyi Honghuagang Seazen Jinyue Heshan	Zunyi	486	82,408	5,900
Qinzhou Qinnan Project	Qinzhou	475	113,253	4,195
Zunyi Honghuagang Seazen Yuejun Fenghua	Zunyi	474	84,799	5,590
Bozhou Qiaocheng Seazen Bozhou Xiyuefu	Bozhou	444	62,002	7,163
Suzhou Yong Qiao Project	Suzhou	443	68,669	6,448
Zhongshan Lancai Mingyuan	Zhongshan	430	68,307	6,295
Zhoushan Putuo Seazen Donghaifu	Zhoushan	405	37,100	10,929
Yantai Zhifu Seazen Mingyu Jinyuan	Yantai	399	67,477	5,916
Yantai Zhifu Seazen Puyue Yuanzhe	Yantai	385	21,729	17,716
Huzhou Nanxun Project	Huzhou	376	22,148	16,977
Changzhou Golden Seazen West Phase III	Changzhou	335	19,853	16,888
Dezhou Qihe Seazen Yuejun	Dezhou	326	74,927	4,347
Suzhou Wujiang Seazen Linshuiwan Jinyuan	Suzhou	322	39,703	8,105

Project	City	Revenue (RMB million)	GFA (sq.m.)	Average selling price (RMB/sq.m.)
Chengdu Jianyang Seazen Yuejun Xiangjiang	Chengdu	290	36,751	7,886
Taizhou Huangyan Project	Taizhou	287	14,077	20,408
Hangzhou Xiaoshan Seazen Jingjun Mingdi	Hangzhou	280	33,616	8,342
Suqian Sihong Project	Suqian	268	16,387	16,364
Chongqing Dazu Project	Chongqing	254	18,032	14,075
Chengdu Chongzhou Seazen Ruisheng Yuejun Xijiang	Chengdu	216	31,703	6,806
Suzhou Zhangjiagang Seazen Mansion 1790	Suzhou	210	17,361	12,113
Others		5,671	1,157,128	4,901
Total		158,118	18,230,865	8,673

As at 31 December 2021, the Group's properties pre-sold but yet to be delivered (including joint ventures and associates) amounted to a total GFA of approximately 34,220,000 sq.m. with value of approximately RMB329,594 million, laying a solid foundation for a steady growth in the Group's revenue for the year to come.

Principal Risks and Uncertainties

The PRC's economy has been transitioning from a centrally planned economy to a more market oriented economy. For approximately three decades, the PRC government has implemented economic reform measures to utilize market forces in the development of the PRC's economy. The Group cannot predict whether changes in the PRC's economic, political and social conditions and in its laws, regulations and policies will have any adverse effect on the Group's current or future business, financial condition or results of operations. In addition, many of the economic reforms carried out by the PRC government are unprecedented or experimental and are expected to be refined and improved over time. This refining and adjustment process may not necessarily have a positive effect on the Group's operations and business development.

The PRC property market is volatile and may experience undersupply or oversupply of property units and significant property price fluctuations. The Group's business depends and will continue to depend on the growth of the economy in the PRC. A significant downturn in the PRC's economy could adversely affect the demand for commercial and residential properties. The PRC central and local governments frequently adjust monetary, fiscal or other economic policies to prevent and curtail the overheating of the economy, which may affect the PRC property market. Such policies may lead to changes in market conditions, including price instability and an imbalance of supply and demand in respect of commercial and residential properties, which may materially and adversely affect the Group's business and financial condition.

The property market in the Yangtze River Delta and major cities along the Shanghai-Nanjing Economic Corridor has been highly competitive in recent years. Property developers from the PRC and overseas have entered the property development markets in the Yangtze River Delta and major cities along the Shanghai-Nanjing Economic Corridor where the Group has operations or where the Group may expand into. Many of the Group's competitors, including overseas listed foreign developers and top-tier domestic developers, may have more financial or other resources than the Group and may be more sophisticated than the Group in terms of engineering and technical skills. Competition among property developers may cause an increase in land costs and raw material costs, shortages in quality construction contractors, surplus in property supply leading to decline of property price, further delays in issuance of governmental approvals, and higher costs to attract or retain talented employees. Moreover, property markets across the PRC are influenced by other various factors, including changes in economic conditions, banking practices and consumer sentiment.

Against the backdrop of resurgence of the COVID-19 epidemic, the Company's residential properties business and commercial operating system actively made epidemic prevention and anti-epidemic arrangements and provided appropriate rent concessions to Wuyue Plazas' merchants. In addition, as the opening of two Wuyue Plazas were delayed by the epidemic, which in turn led to a slight effect on rental and management fee income, the Company has foreseen that the epidemic could entail major risks to the Company's businesses if it was not controlled effectively. The Company will adjust the plans of the launch of residential properties and opening of Wuyue Plazas in accordance with the epidemic development.

The business of the Group is subject to the overall economic and social conditions in the PRC. Natural disasters, epidemics and other acts of God which are beyond the Company's control may adversely affect the economy, infrastructure and livelihood of the people in the PRC. An outbreak of epidemics in the PRC, such as the avian flu or the human swine flu, especially in the cities where the Group has operations, may result in material disruptions to the Group's property development projects and the Group's sales and marketing efforts, which in turn may adversely affect the Group's financial condition and results of operations.

Compliance with Relevant Laws and Regulations

The PRC property market is heavily regulated and subject to frequent introduction of new regulations, including further measures taken by the PRC government to slow down the growth of the property sector, which may adversely affect property developers. The PRC government exerts considerable direct and indirect influence on the growth and development of the PRC property market through industry policies and other economic measures such as setting interest rates, controlling the supply of credit by changing bank reserve ratios and implementing lending restrictions, increasing tax and duties on property transfers and imposing foreign investment and currency exchange restrictions. From 2004 to 2021, the PRC government introduced a series of regulations and policies designed to control the growth of the property market, including, among others:

- (i) strictly enforcing the idle land related laws and regulations;
- (ii) restricting the grant or extension of revolving credit facilities to property developers that hold a large amount of idle land and vacant commodity properties;
- (iii) prohibiting commercial banks from lending funds to real estate developers with an internal capital ratio of less than a certain prescribed percentage; and
- (iv) restricting PRC commercial banks from granting loans to property developers for the purpose of paying land grant premiums.

In particular, the PRC government also introduced the following policies, among others, to specifically control the growth of the residential property market by:

- (i) limiting the maximum amount of monthly mortgage and the maximum amount of total monthly debt service payments of an individual borrower;
- (ii) imposing tax levy on the sales proceeds for second-hand transfers subject to the length of holding period and type of properties;
- (iii) increasing the minimum amount of down payment of the purchase price of family residential property;
- (iv) tightening the availability of individual housing loans in the property market for individuals and their family members with more than one residential property; and
- (v) limiting the availability of individual housing provident fund loans for the purchase of second (or more) residential properties by labourers and their family members.

These measures resulted in downward pricing pressures on the PRC property market. The PRC government may implement further tightening measures to restrain the PRC property market at the national, provincial, municipal and/or local level, which may lead to the declining trends in transaction volume and selling prices of properties in the PRC. As a result, the Group's financial condition and results of operations may be affected.

Environmental Policies and Performance

Property developers in the PRC are subject to a number of environmental laws and regulations including the Environment Protection Law of the People's Republic of China (《中華人民共和國環境保護法》), the Prevention and Control of Noise Pollution Law of the People's Republic of China (《中華人民共和國環境噪聲污染防治法》), the Environmental Impact Assessment Law (《環境影響評價法》), and Administrative Regulations on Environmental Protection in Relation to Construction Projects (《建設項目環境保護管理條例》). The Group is subject to these laws and regulations concerning the protection of health and environment. The local authorities may request a developer to submit the environmental impact documents, issue orders to suspend the construction and impose a penalty for a project where environmental impact assessment documents have not been approved before commencement of construction. The Group is in compliance in all material respects with applicable environmental laws and regulations in the PRC.

Relationships with Customers and Suppliers

The Group has maintained good relationships with its customers and suppliers. The major suppliers of the Group are construction material suppliers and construction contractors, and the five largest suppliers accounted for approximately 7.9% of the total purchases for the year ended 31 December 2021. The Group's five largest customers accounted for approximately 0.2% of the total revenue for the year ended 31 December 2021.

The Group engages third-party contractors to carry out various services relating to property development projects, including design, pile setting, foundation building, construction, equipment installation, electromechanical and pipeline engineering, elevator installation and landscaping. The Group generally selects third-party contractors through a tender process and endeavors to engage companies with good reputation and track record, high performance, reliability and adequate financial resources.

Financial Review

Revenue

The Group's revenue comprises income from sale of properties and, to a lesser extent, property management, rental and other related services earned during the year. The Group's revenue increased by 16.0%, to approximately RMB169,537.3 million for the year ended 31 December 2021 from approximately RMB146,118.7 million for the year ended 31 December 2020.

	For the year ended 31 December	
	2021	2020
	<i>RMB million</i>	<i>RMB million</i>
Revenue from sale of properties	158,118.1	137,577.9
Revenue from commercial property management services	3,430.2	2,373.1
Rental income	4,295.7	2,935.3
Other income	3,693.3	3,232.4
	<u>169,537.3</u>	<u>146,118.7</u>

Cost of Sales and Services

Cost of sales and services consists primarily of the costs the Group incurred directly in relation to property development activities, leasing and property management and other businesses. Cost of sales and services includes construction costs, land use rights costs, tax and surcharges, capitalized interest and other business costs. The Group's cost of sales and services increased by 23.3% to approximately RMB141,179.6 million for the year ended 31 December 2021 from approximately RMB114,530.5 million for the year ended 31 December 2020.

The following table sets forth information relating to the Group's cost of sales for the years indicated:

Table 6: Details of the Group's cost of sales and services

Details of the Group's cost of sales and services	For the year ended 31 December		Year-on- year change compared to
	2021 <i>RMB'000</i>	2020 <i>RMB'000</i>	2020 %
Land use rights costs	43,635,446	37,195,956	17
Construction costs	76,952,562	61,489,124	25
Capitalised interest	10,882,031	9,240,143	18
Tax and surcharges	1,570,710	1,198,376	31
Provision for impairment of properties held or under development for sale	4,837,431	1,597,021	203
Other expenses	3,301,419	3,809,835	-13
Total	<u>141,179,599</u>	<u>114,530,455</u>	<u>23</u>
Total GFA delivered (sq.m.)	18,230,865	15,386,229	18
Average cost per sq.m. sold (RMB) (<i>Note</i>)	7,211	7,014	3
Average selling price per sq.m. sold (RMB)	8,673	8,942	-3
Average cost as percentage of average selling price	83.15%	78.44%	6

Note: Average cost per sq.m. sold refers to the average cost of the Group's property sales (excluding the Group's leasing and property management operations, etc.) and is derived by dividing the sum of land use rights costs, construction costs and capitalized interest by the total GFA delivered in that year.

Gross Profit

The Group recorded a gross profit of approximately RMB28,357.7 million with a gross profit margin of 16.7% for the year ended 31 December 2021.

Fair Value Gains on Investment Properties

The Group develops and holds certain of its commercial properties such as retail shops, shopping malls and car parks for rental income or capital appreciation. The Group's investment properties are appraised annually by an independent property valuer. Any appreciation or depreciation in the Group's investment property value is recognized as fair value gains or losses in the Group's consolidated statements of income. Due to the increase in the overall capital value, valuation gains on investment properties was approximately RMB2,792.5 million before tax for the year ended 31 December 2021.

Other Gains – Net

Net other gains amounted to approximately RMB235.4 million, mainly derived from the gain arising from investment in financial assets, etc.

Selling and Marketing Expenses

Selling and marketing expenses increased by 6.8% to approximately RMB5,937.4 million for the year ended 31 December 2021 from approximately RMB5,560.3 million for the year ended 31 December 2020. The increase in selling and marketing expenses was primarily attributable to the increase in sales commissions due to enhanced marketing and expanding channels.

Administrative Expenses

Administrative expenses increased by 8.9% to approximately RMB5,149.3 million for the year ended 31 December 2021 from approximately RMB4,728.2 million for the year ended 31 December 2020. The increase in administrative expenses was primarily attributable to the increase in remuneration and travelling expenses.

Finance Costs – Net

The Group's finance costs primarily consists of interest expenses on bank loans, senior notes and corporate bonds less capitalized interest, and foreign exchange losses and gains. Interest on borrowings relating to project development is capitalized to the extent that it is directly attributable to a particular project and used to finance the development of that project. For the year ended 31 December 2021, net finance costs of the Group amounted to approximately RMB842.6 million, representing an increase of approximately RMB262.6 million from the previous year. The increase was primarily due to the decrease in foreign exchange gains.

Income Tax Expense

The Group's income tax expense includes provisions made for land appreciation tax, PRC corporate income tax and deferred income tax during the year. For the year ended 31 December 2021, the Group recorded an income tax expense of approximately RMB8,036.1 million.

Profit for the Year

Net profit attributable to equity holders of the Company amounted to approximately RMB8,590.6 million for the year ended 31 December 2021.

Core earnings attributable to equity holders of the Company amounted to approximately RMB7,043.6 million for the year ended 31 December 2021.

Liquidity, Financial and Capital Resources

Cash position

The Group's cash at bank and on hand is as follows:

	As at 31 December	
	2021	2020
	<i>RMB million</i>	<i>RMB million</i>
Cash at bank and on hand (including restricted cash)	55,653.3	63,368.2
Cash and cash equivalents	46,604.7	58,965.9

Borrowings and charges on the Group's assets

The Group's outstanding current and non-current borrowings amounted to RMB104,216.1 million, of which interest payable was RMB1,256.5 million. The maturity groupings of the borrowings are as follows:

Borrowing terms	As at 31 December	
	2021	2020
	<i>RMB million</i>	<i>RMB million</i>
Within 1 year	38,169.1	31,226.5
Over 1 year but within 2 years	35,103.5	36,867.0
Over 2 years but within 5 years	27,319.5	33,236.4
Over 5 years	3,624.0	3,313.7
	104,216.1	104,643.6

As at 31 December 2021, the Group's bank loans were approximately RMB51,324.6 million. Bank loans include credit loans and guaranteed borrowings. Guaranteed borrowings were secured by one or a combination of the following methods: land use rights, properties under development, investment properties, property, plant and equipment, shares of the Company's subsidiaries, financial assets, bank deposits and/or guarantees by the Company's subsidiaries. The Group's bank borrowings are from major commercial banks, all of which are independent third parties.

The proportion of the Group's long-term borrowings in the total borrowings reached 63.4% as at 31 December 2021, ensuring the healthy and stable cash flow of the Group in the future. The Directors believed that the constant optimization of the Group's debt level and financial structure had laid a solid foundation for the Group to withstand market volatility and diminish financial risks.

The weighted average interest rate for the Group's bank borrowings, senior notes and corporate bonds, etc. as at 31 December 2021 was 6.46%.

Net debt-to-equity ratio

As at 31 December 2021, the Group's net debt-to-equity ratio decreased to 48.6% from 50.7% of the previous year. The decrease was primarily due to the increase of net assets. Net debt-to-equity ratio is calculated by dividing net debt at the end of the period by total equity and multiplying by 100%. Net debt is calculated as total borrowings less interest payable, cash and cash equivalents, restricted cash.

Other fund raising activities

In order to strengthen its capital base without incurring debt financing cost and to enhance its financial position, while at the same time enabling shareholders of the Company (the "Shareholders") to participate in the future development of the Group, on 2 December 2021, the Company proposed the rights issue on the basis of one (1) rights share for every twenty-one (21) existing shares held on 4 January 2022, being the record date, at the subscription price of HKD5.30 per rights share on a non-underwritten basis (the "Rights Issue").

The Rights Issue was completed on 27 January 2022, and 295,715,521 rights shares in total were allotted and issued by the Company to the Qualifying Shareholders (as defined in the prospectus of the Company dated 5 January 2022 (the "Prospectus")). The gross proceeds raised from Rights Issue were approximately HKD1,567.29 million before expenses. The net proceeds raised from the Rights Issue were approximately HKD1,559.79 million, equivalent to a net subscription price of approximately HKD5.27 per rights share.

There was no net proceeds from the Rights Issue for the year ended 31 December 2021. Up to the date of this results announcement, the intended and actual use of proceeds from the Rights Issue is set out as follows:

	Intended use of net proceeds as disclosed in the Prospectus	Actual use of net proceeds	Remaining balance of unused net proceeds	Expected timeline for the intended use
Acquisition of lands in Sichuan Province and Hubei Province	Approximately HKD935.87 million	Nil	Approximately HKD935.87 million	On or before 31 December 2022
Repayment of a syndicated loan	Approximately HKD623.92 million	Nil	Approximately HKD623.92 million	On or before 31 May 2022

Besides the Rights Issue, other fundraising activities carried out by the Group for the year ended 31 December 2021 include the issuance of senior notes. Please refer to the section headed "MATERIAL EVENTS DURING THE REPORTING PERIOD – Issuance and Redemption of Senior Notes" in this announcement.

Contingent Liabilities

Pursuant to the mortgage contracts, banks require the Group to guarantee its purchasers' mortgage loans. Guarantees for mortgages on pre-sold residential properties are generally discharged at: (i) the issue of the real estate ownership certificate by government authorities to the purchaser; or (ii) the satisfaction of mortgage loans by the purchasers of the properties (whichever is earlier). If a purchaser defaults on a mortgage loan, the Group is responsible to repay the outstanding mortgage principal together with accrued interest and penalties owed by the defaulting purchasers to the banks, and the Group is entitled to take over the legal title and possession of the related properties. The Group's guarantee period typically starts from the date of grant of the mortgage.

As at 31 December 2021, the Group's contingent liabilities in respect of the guarantees given to the financial institutions for mortgage loan facilities granted to purchasers of the Group's properties amounted to approximately RMB73,048.9 million (as at 31 December 2020: approximately RMB80,015.1 million). In light of the minimal historical default rates of such mortgage loans facilities, the Directors considered that the likelihood of default of payments by the purchasers is minimal.

As at 31 December 2021, there are certain corporate guarantees provided by the Company's subsidiaries for each other in respect of borrowings. The Directors considered that the Company's subsidiaries are sufficiently and financially resourceful to settle their obligations.

As at 31 December 2021, the Group provided guarantee with the amount of RMB10,556.2 million (as at 31 December 2020: RMB13,605.2 million) to its joint ventures and associates.

Save as those disclosed in this results announcement, the Group had no other material contingent liabilities as at 31 December 2021.

Foreign Exchange Risk

As at 31 December 2021, the cash balances held by the Group are as follows:

Cash balances	As at 31 December	
	2021	2020
	<i>RMB million</i>	<i>RMB million</i>
Denominated in Renminbi	55,225.1	61,465.2
Denominated in Hong Kong dollars	107.4	80.2
Denominated in U.S. dollars	319.9	1,822.8
Denominated in other currencies	0.9	—
	<u>55,653.3</u>	<u>63,368.2</u>

Almost all of the Group's operating activities are carried out in the PRC with most of the transactions denominated in Renminbi. The Group is exposed to foreign currency risk arising from the exposure of U.S. dollars and Hong Kong dollars against Renminbi as a result of certain cash balances and the settlement of certain general and administrative expenses and other loans in U.S. dollars or Hong Kong dollars.

As a result of the issuance of senior notes, the Group became exposed to foreign currency risk arising from the exposure of Renminbi against U.S. dollars. Each of the Directors has closely monitored the scale of assets and liabilities in foreign currencies to minimize the foreign exchange risks.

In addition, Renminbi is not freely convertible into foreign currencies and the conversion of Renminbi into foreign currencies is subject to rules and regulations of the foreign exchange control promulgated by the PRC government.

Material Acquisition and Disposal

During the year ended 31 December 2021, save as otherwise disclosed in this announcement, the Group did not have any material acquisition or disposal of subsidiaries, associates or assets.

Future Plans for Material Investment or Capital Assets

The Directors confirmed that as at the date of this results announcement, there are no current plans to acquire any material investment or capital assets other than in the Group's ordinary business of property development.

Employees and Compensation Policy

As at 31 December 2021, the Group had 32,105 full-time employees in the PRC and Hong Kong, 29,396 of which worked in the property development operations and management of commercial complexes and 2,709 were engaged in other operations.

The Group determines the remuneration packages of all employees (including the Directors) based on their performance, work experience and the prevailing market wage level, and provides promotional opportunities for them with reference to their individual strengths and potentials. The remuneration package of the employees consists of basic salary, cash bonus and share-based payments. The Group has established a performance appraisal system so as to evaluate the performance of its employees on an annual basis and use the evaluation results to determine their salary increment or promotion accordingly. The Group recognized an expense in relation to share-based payments of RMB11.0 million for the year ended 31 December 2021 (for the year ended 31 December 2020: RMB196.9 million).

ANNUAL GENERAL MEETING

The annual general meeting of the Company (the "AGM") is to be held on Wednesday, 18 May 2022 and the notice of AGM is expected to be published and dispatched to the Shareholders on or about Friday, 22 April 2022.

FINAL DIVIDEND

The Board does not recommend the declaration or payment of any final dividend for the year ended 31 December 2021 (2020: RMB0.41 per share).

CLOSURE OF THE REGISTER OF MEMBERS

To determine the identity of Shareholders who are entitled to attend and vote at the AGM

Latest date for lodging transfer:	4:30 p.m. on Thursday, 12 May 2022
Period of closure of register:	Friday, 13 May 2022 to Wednesday, 18 May 2022, both days inclusive

In order to be eligible to attend and vote at the AGM, all properly completed transfer forms accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17/F, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, no later than the corresponding latest date for registration.

CORPORATE GOVERNANCE PRACTICES

The Group is committed to maintaining high standards of corporate governance to safeguard the interests of the Shareholders and to enhance corporate value and accountability. The Company has adopted the Corporate Governance Code and Corporate Governance Report (the "**CG Code**") as set out in Appendix 14 of the Rules (the "**Listing Rules**") Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") as its own code of corporate governance. The Company has complied with all applicable code provisions of the CG Code throughout the year ended 31 December 2021. The Company will continue to review and monitor its corporate governance practices to ensure compliance with the CG Code.

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) as set out in Appendix 10 to the Listing Rules as its own code of conduct regarding Directors’ securities transactions. Having made specific enquiries with all the Directors, each of the Directors has confirmed that he has complied with the Model Code during the year ended 31 December 2021.

During the year ended 31 December 2021, the Company has also adopted its own code of conduct regarding employees’ securities transactions on terms no less exacting than the standards set out in the Model Code for compliance by its relevant employees who are likely to be in possession of inside information of the Company in respect of their dealings in the Company’s securities.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

Neither the Company, nor any of its subsidiaries have purchased, sold or redeemed any of the Company’s listed securities during the year ended 31 December 2021.

MATERIAL EVENTS DURING THE REPORTING PERIOD

Connected transaction – Disposal of Assets

On 8 February 2021, Jiangsu Yungui Network Technology Co., Ltd.* (江蘇雲櫃網絡技術有限公司), a subsidiary of the Company, entered into an asset disposal agreement with Nanjing Yungui Network Technology Co., Ltd.* (南京雲櫃網絡科技有限公司), a subsidiary of S-Enjoy Service Group Co., Limited, and agreed to dispose the assets (including courier lockers and their spare parts and intangible assets relating to courier lockers) at a consideration of RMB32,931,300. For details of the disposal, please refer to the announcement of the Company dated 8 February 2021.

Issuance and Redemption of Senior Notes

On 13 January 2021, the Company completed the issuance of the 4.45% senior notes in the aggregate principal amount of USD300 million which will mature on 13 July 2025. Details of the issuance are set out in the announcement of the Company dated 7 January 2021.

On 22 January 2021, the Company has fully redeemed the 7.5% senior notes at maturity of the principal amount of USD300 million together with all accrued interests thereon. Details of the redemption are set out in the announcement of the Company dated 22 January 2021.

On 3 February 2021, New Metro Global Limited (新城環球有限公司) (“**New Metro Global**”), an overseas subsidiary of Seazen Holdings Co., Ltd. (新城控股集團股份有限公司) (“**Seazen Holdings**”), completed the issuance of the 4.5% senior notes due 2026 in the principal amount of USD404 million and guaranteed by the Company. Details of the issuance are set out in the announcement of the Company dated 27 January 2021.

On 16 December 2019, New Metro Global completed the issuance of the 7.50% senior notes due 2021 in the principal amount of USD350 million. On 16 November 2021, New Metro Global redeemed USD290.67 million senior notes before it fell due, and the remaining principal of USD59.33 million was repaid on 16 December 2021 when the senior notes matured.

Proposed Spin-off and Separate Listing of Interests in Certain Commercial Properties on SGX-ST

The Company proposed to dispose a number of subsidiaries which holds nine real estate assets located in the Yangtze River Delta Region and provincial capital cities in the PRC to a trust (the “**Trust**”) via spin-off and separately list the securities of the Trust (the “**Securities**”) on the Singapore Exchange Securities Trading Limited (“**SGX-ST**”). The separate listing of Securities on the main board of the SGX-ST constitutes a spin-off of the Securities by the Company under Practice Note 15. On 30 July 2021, the Stock Exchange has approved the proposed spin-off. For more information, please refer to the announcement of the Company dated 30 July 2021. As at the date of this announcement, Seazen Asset Management Pte. Ltd. has submitted a listing application form to the SGX-ST on 1 August 2021 to apply for the listing of and permission to deal in the Securities on the main board of the SGX-ST.

EVENTS AFTER THE REPORTING PERIOD

Rights Issue and Adjustments relating to the Share Options

The Company has completed the Rights Issue on 27 January 2022. For details, please refer to the section headed “Other fund raising activities” in this announcement.

Prior to the completion of the Rights Issue, the Company had 12,819,000 outstanding share options under the Share Option Scheme. In accordance with the terms and conditions of the Share Option Scheme, Rule 17.03(13) of the Listing Rules, and the Supplementary Guidance on Main Board Listing Rule 17.03(13) and the Note Immediately After the Rule attached to the Frequently Asked Question No. 072-2020 issued by the Stock Exchange on 6 November 2020, the exercise price and the number of Shares falling to be issued upon exercise of the share options immediately after the adjustments as a result of the completion of the Rights Issue were as follows:

Date of grant	Immediately prior to the adjustments as a result of completion of the Rights Issue		Immediately after the adjustments as a result of completion of the Rights Issue	
	Number of Shares to be issued upon exercise of the outstanding share options	Exercise price per share of share options (HKD)	Adjusted number of shares to be issued upon exercise of the outstanding share options	Adjusted exercise price per share of share option (HKD)
1 November 2019	12,819,000	8.620	12,853,245	8.597

For details of the Rights Issue and adjustments relating to the share options of the Company, please refer to the announcements of the Company dated 2 December 2021, 10 January 2022 and 26 January 2022 and the Prospectus.

Redemption of Debt Securities

On 18 February 2022, New Metro Global redeemed the principal of USD159.51 million senior notes before it fell due, and the remaining principal amount of USD40.49 million was repaid on 20 March 2022 when the senior notes matured.

On 16 March 2022, Seazen Holdings repaid the principal of RMB1.43 billion middle term notes when it matured.

On 20 March 2022, Seazen Holdings repaid the principal of RMB999.8 million corporate bonds when it matured.

REVIEW OF ANNUAL RESULTS BY AUDIT COMMITTEE

The audit committee of the Company, comprising all the independent non-executive Directors, together with the management and the external auditor, has reviewed the accounting principles and policies adopted by the Group and the consolidated financial statements for the year ended 31 December 2021.

The financial information contained in this announcement is based on the audited consolidated financial statements of the Group for the year ended 31 December 2021. Such information was extracted from the financial statements agreed with the auditors of the Company.

PUBLICATION OF THE CONSOLIDATED ANNUAL RESULTS AND 2021 ANNUAL REPORT ON THE WEBSITES OF THE STOCK EXCHANGE AND THE COMPANY

This annual results announcement is published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.seazengroup.com.cn), and the 2021 annual report containing all the information required under the Listing Rules will be dispatched to the Shareholders and published on the respective websites of the Stock Exchange and the Company in due course.

By order of the Board
Seazen Group Limited
Wang Xiaosong
Chairman

The PRC, 30 March 2022

As at the date of this announcement, the Directors are Mr. Lv Xiaoping and Mr. Lu Zhongming as executive Directors, Mr. Wang Xiaosong, Mr. Qu Dejun and Mr. Zhang Shengman as non-executive Directors, and Mr. Chen Huakang, Mr. Zhu Zengjin and Mr. Zhong Wei as independent non-executive Directors.

* *Denotes English translation of the name of a Chinese company or entity is provided for identification purpose only.*