

**遠洋集團控股有限公司**  
SINO-OCEAN GROUP HOLDING LIMITED

(Incorporated in Hong Kong with limited liability)

Stock Code: 03377.HK



# ***ON THE RIGHT TRACK*** ***TOWARDS SUCCESS***

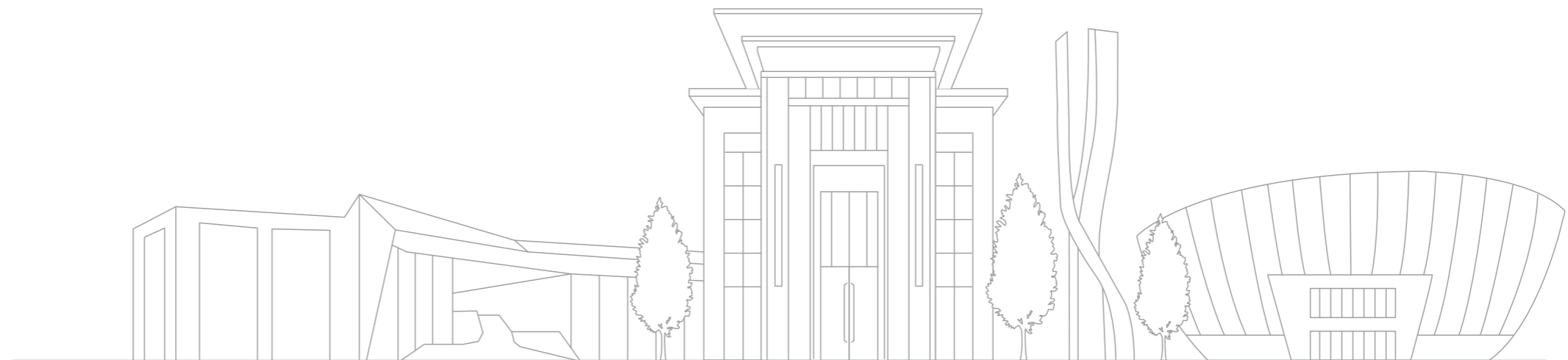
To remain on the right track,  
we focus on the principal business of residential development and  
adhere to intensive cultivation and persistent hard work.  
To move forward we strive for expansion,  
profits and sustainable development.

Moving forward on the right track enables us to go far steadfastly.  
Sino-Ocean is a firm believer in long-term development.  
Our pursuit is to head in the right direction with all  
stakeholders in an assertive and determined manner.



# CONTENTS

<b>P. 004</b> About Sino-Ocean	<b>P. 062</b> Major Awards and Recognitions	<b>P. 100</b> Corporate Governance Report	<b>P. 128</b> Consolidated Statement of Changes in Equity
<b>P. 006</b> Corporate Information	<b>P. 064</b> Investor Relations	<b>P. 117</b> Independent Auditor's Report	<b>P. 130</b> Consolidated Cash Flow Statement
<b>P. 008</b> Landbank Distribution	<b>P. 066</b> Sustainability Report	<b>P. 124</b> Consolidated Balance Sheet	<b>P. 132</b> Notes to the Consolidated Financial Statements
<b>P. 010</b> Financial & Operation Highlights	<b>P. 070</b> Biographies of Directors and Senior Management	<b>P. 126</b> Consolidated Income Statement	<b>P. 256</b> Five-Year Financial Summary
<b>P. 012</b> Chairman's Statement	<b>P. 076</b> Report of the Directors	<b>P. 127</b> Consolidated Statement of Comprehensive Income	<b>P. 257</b> List of Project Names
<b>P. 018</b> Management Discussion & Analysis			



# SINO-OCEAN

## ABOUT SINO-OCEAN

Sino-Ocean Group Holding Limited (“Sino-Ocean Group”) was founded in 1993 and has been listed on the Main Board of The Stock Exchange of Hong Kong Limited since 28 September 2007 (stock code: 03377.HK), with China Life Insurance Company Limited and Dajia Life Insurance Co., Ltd. as substantial shareholders.

Sino-Ocean Group has been included as a constituent of Hang Seng Composite Index (HSCI), Hang Seng Composite Industry Index — Properties and Construction, Hang Seng Stock Connect Hong Kong Index, Hang Seng SCHK High Dividend Low Volatility Index and Hang Seng Corporate Sustainability Benchmark Index.

With a strategic vision of becoming the “Creator of Building Health and Social Value”, Sino-Ocean Group is committed to becoming a pragmatic comprehensive corporation focusing on investment and development while exploring related diversified new businesses. Our core businesses include development of residential property, investment property development and operation, property services and whole-industrial chain construction services, along with synergic businesses in real estate financing, senior living service, logistics real estate and internet data center, etc.

Sino-Ocean Group currently owns more than 330 projects in different stages in rapidly growing Chinese cities and metropolitan regions, such as Beijing, Langfang, Qinhuangdao and Shijiazhuang in the Beijing Region; Tianjin, Dalian, Jinan and Qingdao in the Bohai Rim Region; Shanghai, Wezhou and Suzhou in the Eastern Region; Shenzhen, Zhongshan, Guangzhou and Zhanjiang in the Southern Region; Wuhan, Changsha and Zhengzhou in the Central Region; Chengdu, Xi’an and Guiyang in the Western Region. In addition, the Company’s business territory has expanded abroad to Indonesia, Singapore, etc. As at 31 December 2021, we had a land reserve of over 53 million sq.m.



Ocean Express (Shenzhen)

# CORPORATE INFORMATION

The corporate information of Sino-Ocean Group Holding Limited as of 28 March 2022, being the latest practicable date prior to the issue of this annual report, is as follows:

## Directors

### Executive Directors

Mr. LI Ming (*Chairman and Chief Executive Officer*)  
Mr. WANG Honghui  
Mr. CUI Hongjie

### Non-executive Directors

Ms. HUANG Xiumei (appointed on 19 March 2021)  
Mr. ZHAO Peng<sup>1</sup> (appointed on 25 July 2021)  
Mr. HOU Jun  
Mr. CHEN Ziyang (appointed on 25 July 2021)  
Mr. ZHAN Zhong (appointed on 18 September 2021)  
Mr. ZHAO Peng<sup>1</sup> (resigned on 19 March 2021)  
Mr. FU Fei (resigned on 25 July 2021)  
Ms. LI Liling (resigned on 25 July 2021)

### Independent Non-executive Directors

Mr. HAN Xiaojing  
Mr. SUEN Man Tak  
Mr. WANG Zhifeng  
Mr. JIN Qingjun  
Ms. LAM Sin Lai Judy

## Audit Committee

Ms. LAM Sin Lai Judy (*Chairman*)  
Ms. HUANG Xiumei (appointed on 19 March 2021)  
Mr. ZHAO Peng<sup>1</sup> (appointed on 25 July 2021)  
Mr. SUEN Man Tak  
Mr. JIN Qingjun  
Mr. ZHAO Peng<sup>1</sup> (resigned on 19 March 2021)  
Ms. LI Liling (resigned on 25 July 2021)

Note 1: Both Mr. ZHAO Peng are different persons.

## Nomination Committee

Mr. LI Ming (*Chairman*)  
Mr. HAN Xiaojing  
Mr. WANG Zhifeng

## Remuneration Committee

Mr. HAN Xiaojing (*Chairman*)  
Mr. SUEN Man Tak  
Mr. WANG Zhifeng

## Strategic and Investment Committee

Mr. LI Ming (*Chairman*)  
Mr. WANG Honghui  
Mr. HOU Jun  
Mr. CHEN Ziyang (appointed on 25 July 2021)  
Mr. JIN Qingjun  
Ms. LAM Sin Lai Judy  
Mr. FU Fei (resigned on 25 July 2021)

## Company Secretary

Mr. CHUNG Kai Cheong

## Authorized Representatives

Mr. LI Ming  
Mr. CHUNG Kai Cheong

## Registered Office

Suite 601, One Pacific Place  
88 Queensway  
Hong Kong

## Principal Place of Business

31–33 Floor, Tower A  
Ocean International Center  
56 Dongsihuanzhonglu  
Chaoyang District  
Beijing PRC

## Principal Bankers

*(in alphabetical order)*

Agricultural Bank of China, Ltd.  
Bank of China (Hong Kong) Limited  
Bank of China Limited  
Bank of Communications Co., Ltd.  
Bank of Shanghai Co., Ltd.  
China CITIC Bank Corporation Limited  
China Construction Bank Corporation  
China Everbright Bank Co., Ltd.  
China Guangfa Bank Co., Ltd.  
China Merchants Bank Co., Ltd.  
China Zheshang Bank Co., Ltd.  
Chong Hing Bank Limited  
CMB Wing Lung Bank Limited  
DBS Bank (Hong Kong) Ltd.  
Hang Seng Bank Limited  
Industrial and Commercial Bank of China, Ltd.  
Industrial Bank Co., Ltd.  
Ping An Bank Co., Ltd.  
Shanghai Pudong Development Bank Co., Ltd.  
The Bank of East Asia, Limited  
The Hongkong and Shanghai Banking Corporation Limited  
United Overseas Bank

## Auditor

PricewaterhouseCoopers  
*Certified Public Accountants*

## Legal Advisor

Paul Hastings

## Share Registrar

Computershare Hong Kong Investor Services Limited  
Shops 1712–1716, 17th Floor  
Hopewell Centre  
183 Queen's Road East  
Wanchai  
Hong Kong

## Listing Information

The Stock Exchange of Hong Kong Limited  
Stock Code: 03377

## Company Website

[www.sinooceangroup.com](http://www.sinooceangroup.com)

## Investor Relations Contact

[ir@sinooceangroup.com](mailto:ir@sinooceangroup.com)

# LANDBANK DISTRIBUTION

**51**  
Beijing Region  
Beijing | Langfang | Taiyuan | Jinzhong | Qinhuangdao | Shijiazhuang | Zhangjiakou  
Total GFA: 15,639,000 sq.m.  
Total landbank: 11,951,000 sq.m.  
Number of projects: 51

**47**  
Bohai Rim Region  
Tianjin | Dalian | Jinan | Qingdao | Shenyang | Changchun | Anshan | Harbin  
Total GFA: 20,787,000 sq.m.  
Total landbank: 12,906,000 sq.m.  
Number of projects: 47

**58**  
Eastern Region  
Shanghai | Suqian | Wenzhou | Suzhou | Zhenjiang | Yangzhou | Wuxi | Changzhou | Nanjing | Nantong | Jinhua | Huzhou | Hangzhou | Huai'an | Jiaxing | Ningbo  
Total GFA: 11,988,000 sq.m.  
Total landbank: 7,970,000 sq.m.  
Number of projects: 58

**44**  
Southern Region  
Shenzhen | Zhongshan | Guangzhou | Zhanjiang | Jiangmen | Zhangzhou | Foshan | Maoming | Xiamen | Longyan | Fuzhou | Sanya | Hong Kong  
Total GFA: 10,683,000 sq.m.  
Total landbank: 5,519,000 sq.m.  
Number of projects: 44

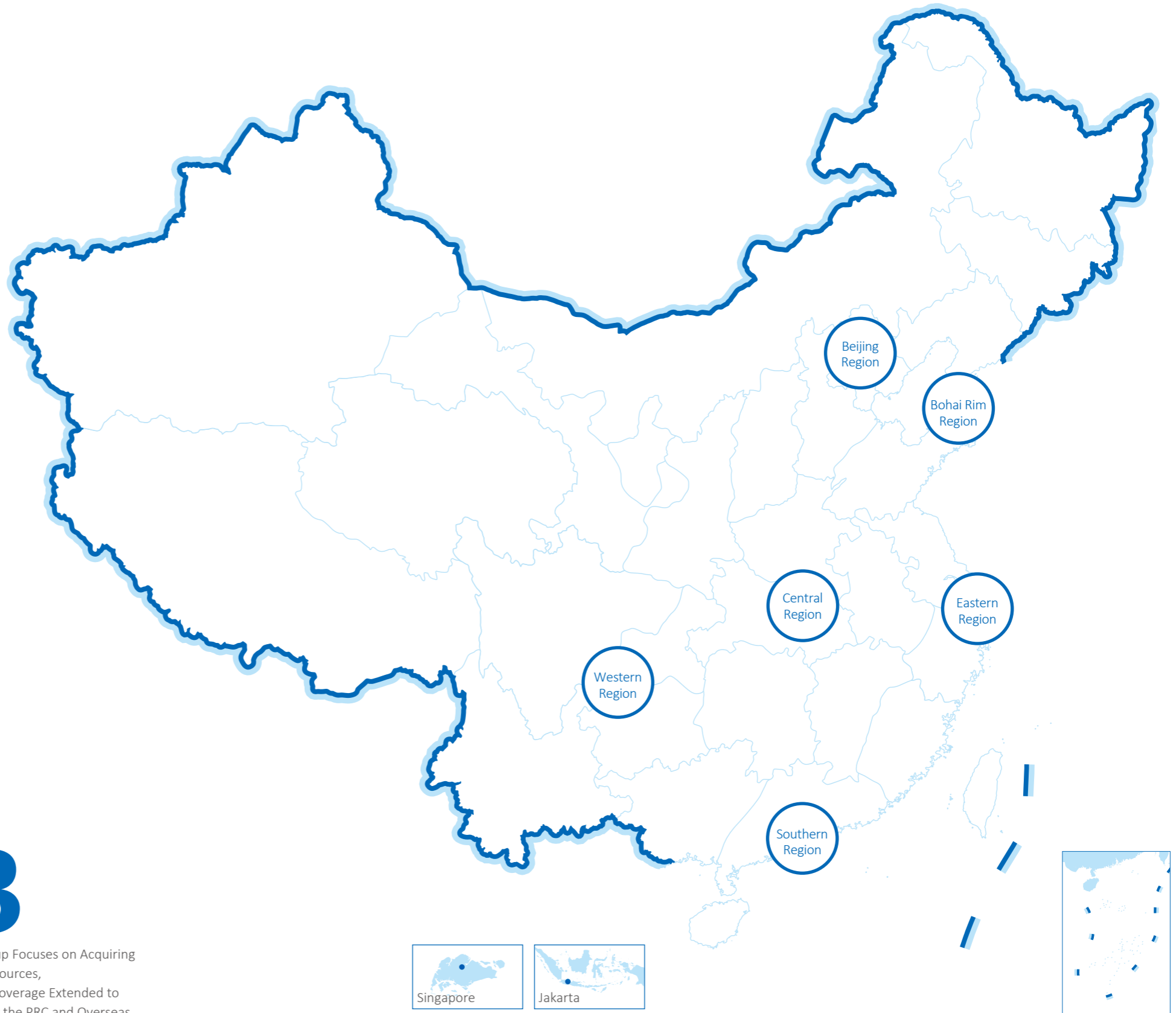
**30**  
Central Region  
Wuhan | Changsha | Zhengzhou | Ganzhou | Hefei | Nanchang  
Total GFA: 9,747,000 sq.m.  
Total landbank: 6,879,000 sq.m.  
Number of projects: 30

**40**  
Western Region  
Chengdu | Xi'an | Guiyang | Xining | Urumqi | Liuzhou | Chongqing | Xishuangbanna | Kunming | Luzhou | Lanzhou  
Total GFA: 10,214,000 sq.m.  
Total landbank: 7,840,000 sq.m.  
Number of projects: 40

**2**  
Other Region  
Jakarta | Singapore  
Total GFA: 70,000 sq.m.  
Total landbank: 70,000 sq.m.  
Number of projects: 2

**63**

Sino-Ocean Group Focuses on Acquiring Quality Land Resources, with Landbank Coverage Extended to 63 Cities all Over the PRC and Overseas





# FINANCIAL & OPERATION HIGHLIGHTS

Financial Highlights (RMB million)	2021	2020	Change
Contracted Sales	136,260	131,040	4%
Revenue	64,247	56,511	14%
Gross profit	11,258	10,457	8%
Profit for the year	5,091	4,683	9%
Profit attributable to owners of the Company	2,729	2,866	-5%
Total assets	281,252	259,689	8%
Equity attributable to owners of the Company	55,074	53,649	3%
Cash resources <sup>1</sup>	27,079	43,929	-38%

Financial Information per share	2021	2020	Change
Earnings per share (RMB)			
— Basic	0.358	0.376	-5%
— Diluted	0.358	0.376	-5%
Dividend per share (RMB)	0.072	0.131	-45%

Financial Ratios	2021	2020	Change
Gross profit margin (%)	18%	19%	-1 pt
Net profit margin (%)	8%	8%	—
Current ratio (times)	1.65	1.47	12%
Net gearing ratio (%) <sup>2</sup>	85%	55%	30 pts

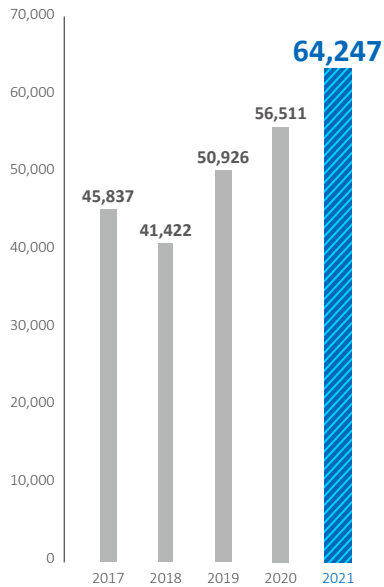
Notes:

1 Including the restricted bank deposits

2 Total borrowings minus cash resources divided by total equity

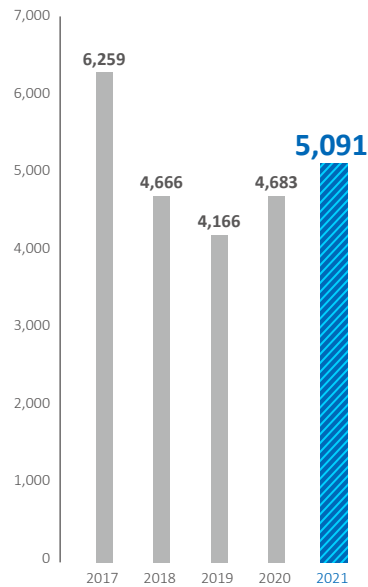
### Revenue

(RMB million)



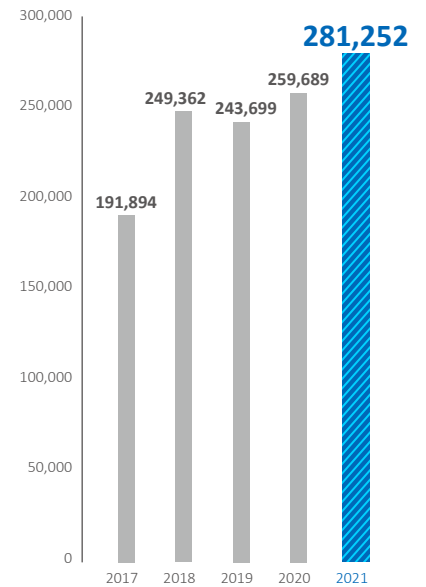
### Profit for the year

(RMB million)



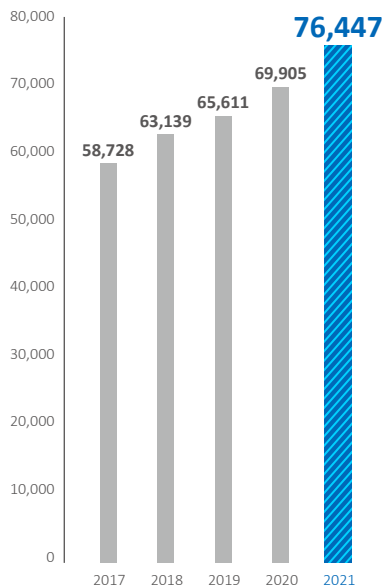
### Total Assets

(RMB million)



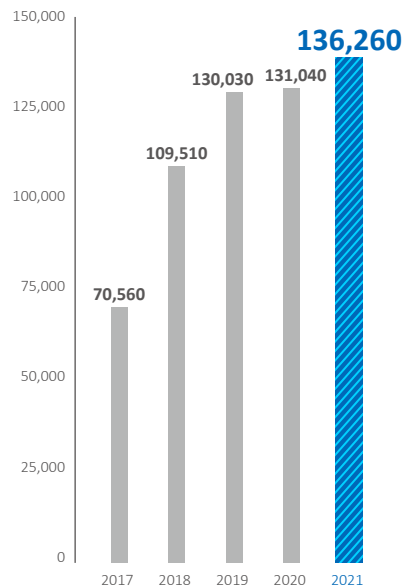
### Total Equity

(RMB million)



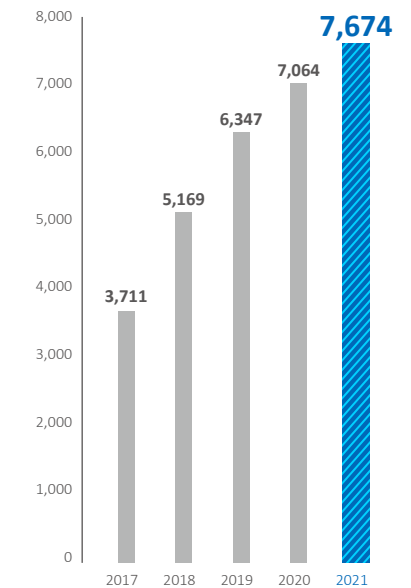
### Contracted Sales

(RMB million)



### Saleable GFA Sold

('000 sq.m.)



# CHAIRMAN'S STATEMENT



**On behalf of our board of directors (the “Board”), I have the pleasure in presenting the results of Sino-Ocean Group Holding Limited (“Sino-Ocean Group” or the “Company”) and its subsidiaries (together referred to as “our Group”, the “Group” or “we”) for the twelve months ended 31 December 2021.**

## RESULTS OF 2021

For the twelve months ended 31 December 2021, the Group recorded RMB64,247 million in revenue, representing a year-on-year (“YoY”) increase of 14%; gross profit reached RMB11,258 million, increased by 8% compared to the previous year. Affected by the downturn in the overall PRC real estate market, the Group’s gross profit margin in 2021 decreased to 18% (2020: 19%). Profit attributable to owners of the Company and earnings per share (basic and diluted) decreased by 5% to RMB2,729 million and RMB0.358, respectively in 2021 as compared to 2020. Based on the profit attributable to owners of the Company in 2021, the Board is pleased to propose a final dividend of RMB0.026 per share for the year ended 31 December 2021. Together with the interim dividend of RMB0.046 per share, total dividend per share for 2021 was RMB0.072 (2020: RMB0.131). The payment of the 2021 final dividend would be subject to the approval of the shareholders of the Company (the “Shareholders”) at the Company’s forthcoming annual general meeting (the “AGM”).

## 2021 BUSINESS REVIEW

In 2021, the Group entered the second year of comprehensive implementation of the fifth phase of strategic development. Having overcome the double impact of macro policies and the pandemic, the Group persevered to focus on residential development, structural adjustment, streamlining of operations, profitability and strict risk control. Working on the year’s theme of ‘Artisanal • Excellent • User-oriented’, we strived to excel in what we knew best and all aspects of our work progressed steadily.

### Residential development enjoyed stable growth, operation efficiency gradually recovered

Frequent announcements of macro policies and continued scandalous news of certain property enterprises dampened confidence in the market and among customers. As sales market plummeted and in a severe environment in the second half of the year, the Group continued to focus on its principal business and residential development expanded steadily in a hostile environment. Adopting an agile response to market fluctuations, focusing on dynamic efficiency indicators and digital marketing, the Group achieved contracted sales of approximately RMB136.26 billion in the year, a 4% growth YoY. The front line sales teams fought hard and overcame numerous hurdles and, despite huge pressure, managed to become market leaders with some projects. The Group’s sales were in the top 10 in Beijing, Tianjin and Jinan. Sales of Oriental World View in Wuhan, Neo-metropolis in Tianjin and Shan Hai One in Wenzhou were in the forefront of their respective markets. New launches of Ocean New Masterpiece in Hangzhou, Hongqiao Origin in Shanghai and Shan Hai One in Wenzhou recorded excellent performance. The Group’s revenue in the year was approximately RMB64.25 billion, a steady growth of 14% YoY, of which 86% was contributed by property development, maintained at a relatively higher contribution. At the same time, profitability recovered steadily as profit for the year reached approximately RMB5.09 billion, up 9% YoY.

### Continued to optimize location planning, ample resources in urban redevelopment

In 2021, the Group complied with the stringent investment criteria to replenish superior land resources. We newly acquired a total of 25 residential development projects<sup>1</sup> and a new land bank of approximately 5.71 million sq.m.<sup>1</sup>, with a total saleable value of more than RMB80 billion<sup>1</sup>. Average land cost for saleable area was approximately RMB7,040 per sq.m.<sup>1</sup>. We also acquired 17 logistics projects and 3 internet data centers, including 10 developed projects with a total GFA of approximately 1.43 million sq.m.

At the same time, the Group continued with the strategies of the ‘south and west’ and ‘deep city penetration’, building bases in cities in the top two tiers such as Guangzhou, Xiamen, Wuhan, Hefei, Chengdu, Tianjin and Qingdao. New residential development projects were all in the Group’s major deep cultivation cities and 70% of these projects were in the ‘south and west’ regions, further optimizing the land bank location planning. The Group also prioritized ‘small and fast’ projects. Among the newly acquired development projects<sup>1</sup>, those below 250,000 sq.m. reach 85%, efficiency of resources will be further enhanced.

Note 1: The data does not take into account the projects acquired through the acquisition of 70% equity of the target company by the Group’s joint venture.

Being one of the earliest enterprises in China to participate in urban renewal, the Group actively cultivated this business segment. The Group had signed redevelopment contracts for approximately 19 million sq.m., mainly located in key cities in the Greater Bay Area, such as Shenzhen, Guangzhou and Dongguan, of which six projects were converted to a landbank of approximately 1.18 million sq.m. Another five projects in Shenzhen were acquired, with a total GFA of approximately 2.57 million sq.m. The gradual conversion of reserves will contribute to the Group's portfolio of high-end projects in the future. The Group's urban renewal business reaped fruitful results in the year with newly contracted resources approaching RMB100 billion. In March 2021, we acquired the redevelopment project in Longhua District in Shenzhen with a GFA of approximately 280,000 sq.m., scheduled to be launched in 2022. In May 2021, we signed a strategic cooperation agreement with the Tianxin District government in Changsha to drive urban renewal in the central areas; we also signed a strategic agreement with Hainan China State Farms (Group) Corporation\* (海南農墾實業集團) to work together on various areas including urban renewal during the month. In October 2021, we acquired the Bantian urban renewal project in Shenzhen, with a GFA of approximately 120,000 sq.m., to be launched in 2023. Our long-term study and practical work in urban renewal was recognized by the 'Top 10 Outstanding Practitioners of Urban Renewal in 2021', '2021 Most Influential Urban Renewal Operator', etc. award. The Group will continue to put our expertise, resources and word-of-mouth recommendation to best use in renewing urban space and building a new growth driver.

The Group has abundant land resources with a land bank of secondary development amounted to approximately 53.14 million sq.m. The average land cost was approximately RMB6,600 per sq.m. Besides, the Group has acquired a total of approximately 2.57 million sq.m. of the urban renewal projects. As the urban renewal projects continue to evolve, they will become high-quality secondary development projects to the Group.

### New format was sought for investment property, operational capability continued to rise

As the second driver of the Group's principal business, investment property continued to perform well with improved operational capability. During 2021, the occupancy rate of Ocean Plaza in Beijing reached 99%, up 8 percentage points YoY, sales volume in Grand Canal Place in Hangzhou rose 38% YoY, Sino-Ocean Taikoo Li in Chengdu rose 22% YoY. At the same time, together with several international investors, the Group invested in a prime office fund at a total consideration of USD1.4 billion. The fund was an important initiative in pushing for the mid to light asset mode of investment property. We enjoyed cash flow and higher efficiency, as well as consolidated our leading position in investment property operation in China and 'Building • Health'.

### Sino-Ocean Service performance reached new height, commercial and office sector became new growth driver

Revenue for Sino-Ocean Service Holding Limited ("Sino-Ocean Service") in the year was approximately RMB2,970 million<sup>2</sup>, up 47% YoY<sup>2</sup>, profit attributable to shareholders was approximately RMB440 million<sup>2</sup>, up 70% YoY<sup>2</sup>. Contracted GFA was approximately 110 million sq.m.<sup>2</sup>, GFA under management was approximately 73.48 million sq.m.<sup>2</sup>, up 49%<sup>2</sup> and 62%<sup>2</sup> YoY respectively, since the end of 2020. Sino-Ocean Service also successfully tapped into asset management for commercial and office premises by building a team and a business platform, which were able to undertake the first tier assets within the Group and additional high-end premises in core business districts, actively building a whole chain service model for 'asset management + property management'. The property management of commercial property sector grew steadily in the year with contracted GFA of approximately 7.32 million sq.m.<sup>2</sup>, up by 35%<sup>2</sup> since the end of 2020.

\* For identification purpose only

Note 2: Sino-Ocean Service is a subsidiary of the Group, and the data is presented before the intra-group elimination adjustments.

## Maintained strong and secure financial position, 'green category' and investment grade ratings

Despite the ongoing market fluctuations in 2021, the Group managed to maintain the investment grade ratings by Moody's and Fitch, and in May 2021 was rated AAA by China Lianhe Credit Rating onshore, an indication of good credit level.

During 2021, the Group was in full compliance of the 'three red lines' and maintained the 'green category' status.

While the financing environment was tightened in the second half of 2021, the Group's finance costs is still at a leading level in the industry. In July 2021, we issued guaranteed green notes of USD320 million for 3.5 years at 2.70%, a record low for the Group's offshore USD bonds. In July 2021, we also issued Commercial Mortgage-Backed Notes (the "CMBN") for RMB3.201 billion at 4.19%, the first CMBN without a trust structure in the inter-bank market, also the first 'renewed' CMBN product. In September 2021, we further issued RMB1.95 billion corporate bonds for 5 years at 4.06%. Given the stricter regulatory policies on financing and a volatile capital market, our solid track record and good credit ratings were indicators of the Company's edge in financing. The Group's finance cost in 2021 further reduced to approximately 4.96%.

## Ample financing channels and highly secure funds

The Group had ample financing channels. Both onshore and offshore financial institutions' trust enabled us to have unutilized facilities over RMB230 billion, providing abundant credit support for the Group's operations. While the industry was going through a 'severe winter', the Group maintains mortgage head-to-head strategic cooperation with major state-owned banks and joint-stock banks to ensure that the Group continues to obtain sufficient mortgage quotas. The Group signed a RMB30 billion credit line agreement with Ping An Bank and RMB10 billion with China Zheshang Bank in June and August 2021, respectively. We were also offered higher credit facilities to nearly RMB20 billion by the Bank of China, Bank of Communications and Minsheng Bank which further strengthened the Group's financial position.

At the same time, although the scale of debts increased in the short term, thanks to the continuous increase in the scale of the Group's recognized sales, the coverage ratio of operating income to debts increased to 70%, indicating high operational security and stability.

The maturity distribution of the Group's debts is relatively balanced. As at 31 December 2021, debts due within 1 year, 1 to 2 years, 2 to 5 years and over 5 years account for 20%, 19%, 50% and 11%, respectively. The proportionate share of short term loan is low. Besides, the maturity distribution of USD bonds is also relatively balanced. USD500 million bonds will be matured in 2022, of which USD200 million have been refinanced in January 2022 and the remaining USD300 million are planned to be repaid in April 2022. Apart from that, the next matured USD bonds are in 2024 and there is no subsequent concentrated maturity pressure.

## Continued to streamline management to raise competitiveness

The Group emphasized 'delivery of flawless products' to satisfy customers in all aspects for three years and raised our quality to be within the Top 10 major enterprises. 'Flawless functionality' focused on customers' experience and reduced complaints. 'Flawless displays' surpassed previous efforts in creating and communicating customer values. We also persevered with an all-round cost control management to improve on efficiency indicators. At the same time, we also reinforced supply chain, expanded on strategic scale purchase and encouraged top to top co-operation. The Group achieved full coverage of the '4+8' operation and management system in the principal business and optimized it to support front line operations. Implementation of the system in non-development businesses was also pushed forward. Adhering to the theme of 'Artisanal • Excellent • User-oriented' the Group raised customer satisfaction level to new high.

## Resolute with the concept of 'Building • Health' and constructed benchmark projects

In 2021, the Group continued with the concept of 'Building • Health' and focused on customers' needs. Years of practical experience facilitated the research on an upgraded Sino-Ocean building health series 2.0. Based on customers' preference, we adjusted all priorities from the interiors, buildings, landscape, to location and culture, including the five health dimensions that cover all developments, 21 health systems in community life, 89 essential values and 256 implementation policies and standards. We focused on improving a physical environment for health, guidance to a healthy lifestyle, a new Sino-Ocean health series incorporating three features of low carbon technology to ensure a healthy lifestyle guided by the brand new concept of the latest Sino-Ocean health series. As at the end of 2021, the Sino-Ocean building health series was applied in 45 cities in China, with 130 projects covering approximately 22 million sq.m. We were awarded authoritative recognitions and market approval including 2021 Top 10 Craftsmanship of Chinese Real Estate Enterprises and Top 10 Healthy Building Products of China in 2021.

## Synergy among shareholders continued to intensify, various cooperation items progressed steadily

The various cooperations between the Group and the substantial shareholders were all in steady progress.

In February 2021, China Life signed a 'Strategic Cooperation Agreement' with the Group. Upholding the principles of 'sharing resources, complementing advantages, mutual benefits and codevelopment' both parties agreed to focus on cooperation in six major fields including capital ties, financial products, insurance, real estate investment, property management and senior living. The 'Strategic Cooperative Agreement' demonstrated China Life's support and recognition towards the Group's superior and stable development, as well as the stronger and deeper co-operation between the parties.

As regards corporate governance, in September 2021, Mr. ZHAN Zhong, vice president of China Life Insurance Company Limited, was nominated to be a non-executive director of the Company. In October 2021, China Life appointed a member of management staff to exercise more control on the Group's financial risks and provide further support on the Group's governance and expansion.

In December 2021, China Life and the Group entered into a RMB15 billion 'Financial Products Transactions Framework Agreement' by which China Life can subscribe to the financial products issued by the Group, at a maximum of RMB15 billion or equivalent currencies within three years. In the volatile environment in the property market, major shareholder's support provided the Group with extra resistance to extreme market risks.

## MARKET REVIEW AND OUTLOOK

Real estate market in China experienced extreme fluctuations in 2021. It was 'warm like spring' in the first half of the year but 'took a sharp turn to winter' in the second half. The industry has undergone profound changes. In the first half of the year, the market was buoyant as both supply and demand were booming, pushing sales of housing in the country up by 39% YoY. The situation took a sharp dive since July 2021 into a drastic correction period. As a result of tightening financing policies and excessive curtailing of bank mortgage loans, property enterprises' funds were under huge pressure, some even faced liquidity crisis. Projects were sold cheaply for volume. Customers delayed purchase as they were forecasting a downward trend and worried about delivery. This caused transactions to plummet and further squeezed enterprises' cash flow. As breach of contracts in the open market spread to more enterprises, financial institutions shrank financing channels even more. Local authorities stepped up monitoring of pre-sale funds which in turn caused more enterprises to collapse, customers to lose confidence and the market to go into a downward spiral. In the fourth quarter of 2021, there were policy adjustments but market sentiments were not reversed yet. Sales of housing in the country in the second half of the year dropped 17% YoY.

Looking ahead to 2022, after government policies were rolled out to help the market, the industry will be in a relatively easier policy and credit environment. While the three principles of 'housing for accommodation not speculation', 'deleveraging and reducing capacity' and 'stabilizing property price, land cost and expectations' are to stay. It will be a while before confidence is restored in the upstream and downstream industry chain including customers, financial institutions, suppliers and the government. The pressure of a downward economy on customers' desire and ability to purchase is not to be neglected either. It is hard to be optimistic in the near future. In addition, as a result of fund shortage among enterprises in 2021, land acquisition and construction work are declining. There will be a brief window of under supply in 2022 and it may improve the balance between supply and demand to a certain extent. With several factors at play, the industry will slowly emerge from 'the bottom of the market' rather than going through a like roller-coaster.

In the medium to long term, the Group is still upbeat about the virtuous circle and healthy development in real estate industry. Demands created by urbanization and city renewal will always exist. Real estate is still an important industry in the national economic cycle and to satisfy people's needs for accommodation. After the rapid clearance and consolidation in this round, competition may slack in the future. The industry will depart from the era of high turnover, high profitability and high risks, going from the 'tropical' to 'temperate' outlook, entering the era of red sea and meager profit. Enterprises must pursue superior and sustainable development. Those who possess ample funds, a strong financial position, operational prowess and good reputation will have more quality resources and growth opportunities. Enterprises that have inner strength and stability, and are building outstanding products and services will enjoy even more advantages.

## 2022 COMPANY STRATEGIES

In 2022, the Group will enter the third year of the fifth phase of strategic development. The Group will remain committed to 'Artisanal • Excellent • User-oriented', focusing on principal business, initiating structural adjustments, maintaining a sound financial position, and persevering with 'intensive cultivation' to create sustainable values for shareholders and stakeholders.

**Focused on principal business to uphold business scale.** The Group will remain focused on residential and comprehensive developments involving 'major markets', 'major products' and 'major teams' for intensive cultivation. We will pay attention to dynamic efficiency, raise cash collection, stabilize sales, encourage digital marketing and reinforce sales and marketing teams. We will also raise operational efficiency of investment property projects in stock, revitalize inefficient assets, elevate management capability to bring in a stable cash flow for the Group, accelerate commencement of projects and continue to encourage a mid to light asset business model.

**Committed to structural adjustments to improve asset structure.** The Group played a leading role in investment. We adhered to the 'south and west' for location planning, centred around 'medium to small fast turnover' for size, reduced ratio in joint ventures, raised transparency in reports, boosted the ratio of contracted liabilities and stock to drive adjustment of the Group's asset structure. We stepped up disposal of non-residential and inefficient resources, adopted a mid to light asset approach for investment property and accelerated transaction and revitalization of assets.

**Strengthened financial management to maintain a strong position.** The Group will further emphasize the importance of budgeting in operations management. We will encourage standardization and localization of positive operational cash flow from projects for more effective cash collection. At the same time, we will keep interest-bearing debts under control, ensure the 'three red lines' are all in the green category, maintain investment grade ratings, control finance cost and optimize finance structure.

## APPRECIATION

On behalf of the Board, I would like to extend my deepest gratitude to all Shareholders, investors, local authorities, business partners and customers who have been most supportive; also to our directors (the "Directors"), management and the entire staff for their dedicated hard work. Our sustainable and stable development could not be achieved without their unreserved support.

**LI Ming**  
*Chairman*

Hong Kong, 23 March 2022



# MANAGEMENT DISCUSSION & ANALYSIS








A discussion and analysis of Sino-Ocean Group Holding Limited (“Sino-Ocean Group” or the “Company”) and its subsidiaries (together referred to as “our Group”, the “Group” or “we”) for the year ended 31 December 2021 is set out below:

## FINANCIAL REVIEW

Sino-Ocean Group is a pragmatic comprehensive corporation focusing on investment and development while exploring related diversified new businesses. We have secured a leading position in major city clusters including the Beijing Region, the Bohai Rim Region, the Eastern Region, the Southern Region, the Central Region and the Western Region. The Group will continue to stay focused on acquiring quality projects.

The Group’s contracted sales amount for the year 2021 (including its joint ventures and associates) reached a record high of RMB136,260 million (2020: RMB131,040 million) with total saleable GFA sold of approximately 7,673,500 sq.m. (2020: 7,063,500 sq.m.). We recorded an increase in revenue of RMB7,736 million, or 14%, to RMB64,247 million (2020: RMB56,511 million). The profit attributable to owners of the Company decreased to RMB2,729 million (2020: RMB2,866 million), representing a decrease of 5% as compared to 2020. Basic earnings per share decreased accordingly by 5% to RMB0.358 (2020: RMB0.376).

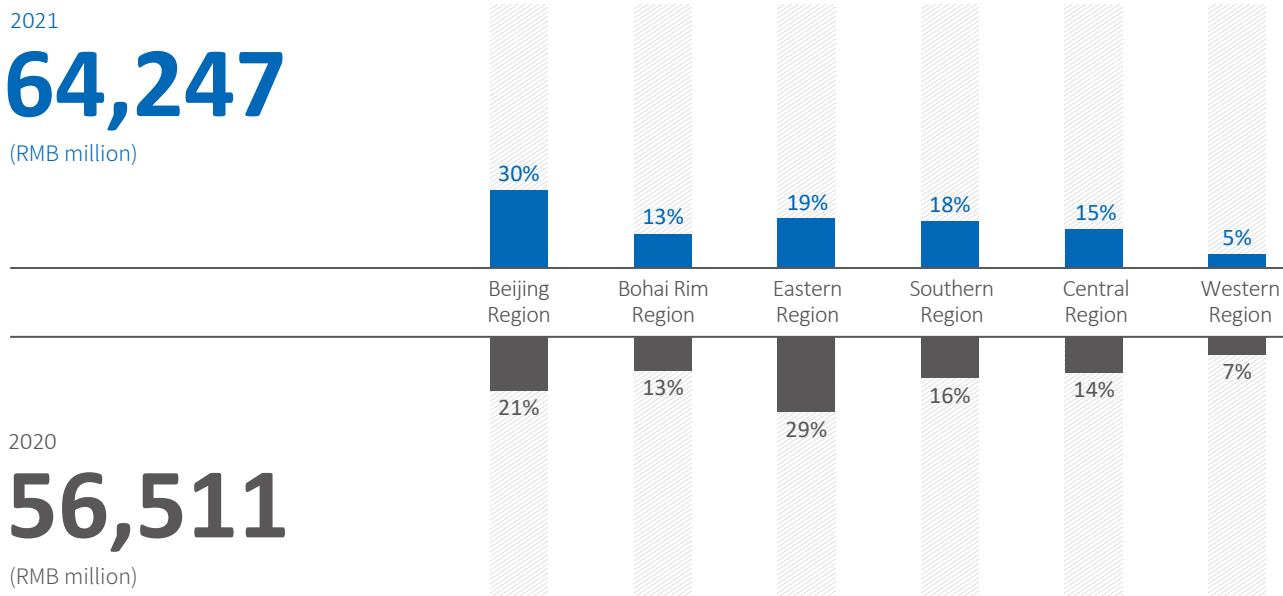
The components of the revenue are analyzed as follows:

(RMB million)	2021	2020	Change
 Property development	<b>55,130</b>	49,617	11%
 Property investment	<b>410</b>	494	-17%
 Property management and related services	<b>2,530</b>	1,763	44%
 Other real estate related businesses	<b>6,177</b>	4,637	33%
 Total	<b>64,247</b>	56,511	14%



Captain House (Beijing)

Revenue contributions by geographical locations are analyzed below:



## Revenue

The Group's revenue in 2021 increased by 14% to RMB64,247 million, from RMB56,511 million in 2020. Property development segment remained the largest contributor, which accounted for about 86% of total revenue. During 2021, the revenue from property development contributed by the Beijing, Bohai Rim, Eastern, Southern, Central and Western Region were 19%, 15%, 22%, 21%, 17% and 6%, respectively. We will persistently maintain a balanced project portfolio for mitigating the risk from single market fluctuations and enabling more effective usage of resources, allowing the Group to stay focus of our future development plan.

Property management and related services includes (i) property management and commercial operational services; (ii) community value-added services; and (iii) value-added services to non-property owners. The increase in revenue for our property management and related services in 2021 was mainly due to (i) the increase in GFA under management and increase in number of properties under management; (ii) offering new types of services such as commercial operational services and home decoration services; and (iii) expansion of our property brokerage services, property engineering services and consultancy services.

The increase in revenue of other real estate businesses was mainly contributed by the higher contribution from whole-industrial chain construction services, internet data center and senior living services.

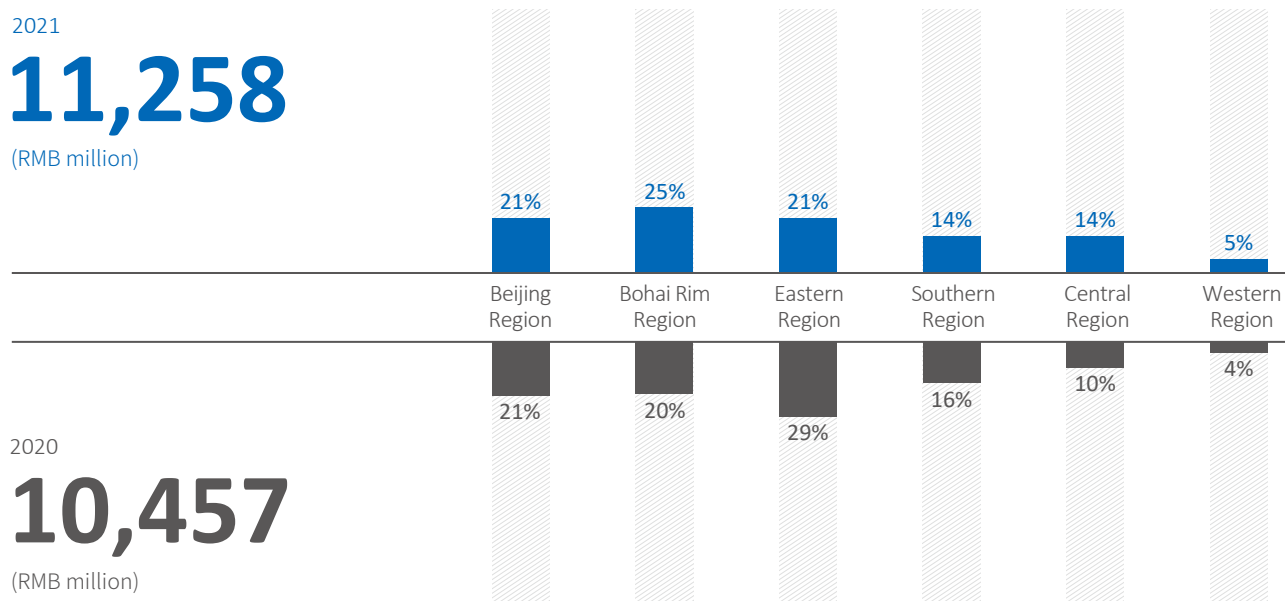
## Cost of sales

In line with the increase in the revenue of property development, the Group's total cost for the year increased to RMB52,989 million accordingly (2020: RMB46,053 million).

The Group's total cost of sales was mainly the cost of property development, which mainly consisted of land cost and construction cost.

Excluding carparks, average land cost per sq.m. of property development business in 2021 increased to approximately RMB8,300 compared to RMB6,200 in 2020. The increase was mainly due to more projects located in tier-one and core tier-two cities, which have higher land cost, were delivered in 2021. Average construction cost per sq.m. (excluding carparks) for property development business increased by 9% to approximately RMB5,900 for the year, compared to RMB5,400 in 2020. The increase in average construction cost was mainly because more villa and tier-one projects with higher construction cost were delivered during 2021.

Gross profit by geographical locations is analyzed below:



### Gross profit

Gross profit for the year was RMB11,258 million, representing an increase of 8% compared to that of 2020. Gross profit margin decreased to 18% in 2021 (2020: 19%).

### Interest and other income and other gains (net)

Interest and other income decreased by 6% to RMB2,250 million in 2021, compared to RMB2,394 million in 2020. The decrease was mainly attributable to the decrease in entrusted loan interest income due to the decline in the weighted average entrusted loan balance and interest rate during the year of 2021.

The Group recorded other gains (net) of RMB76 million in 2021 (2020: RMB1,335 million). Other gains (net) were mainly comprised of net effect of net exchange gains, fair value losses of financial assets and financial liabilities at fair value through profit or loss and gains on disposal of subsidiaries during the year. The decrease in other gains (net) in 2021 was primarily due to the decrease in net exchange gains as Renminbi appreciated against USD to a lesser extent compared with that of 2020.

### Revaluation of investment properties

As the leasing market was still in the recovery phase, the Group recognized fair value losses on its investment properties (before tax and non-controlling interests) of RMB64 million for 2021 (2020: RMB156 million).



One Residence (Wuxi)

### Operating expenses

Selling and marketing expenses for 2021 was RMB1,665 million (2020: RMB1,293 million), which was increased by 29% as compared to 2020. The increase was mainly driven by i) the increase of marketing activities so as to cope with the sluggish market; ii) the increase in the number of pre-sale projects; and iii) the relaxation of restriction of marketing activities due to the novel coronavirus pandemic in 2021. These costs accounted for approximately 1.2% of the total contracted sales amount for 2021 (2020: 1.0%). The Group put more resources in its sales and marketing activities in 2021, to aim for better recognition of the Group's pursuance of quality of residential property development, investment property development and operation, property services and whole-industrial chain construction services and ultimately turn into higher revenue in the future.

Under the Group's strict cost control policy, administrative expenses incurred for 2021 increased to RMB1,955 million (2020: RMB1,816 million), representing 3.0% of the total revenue for 2021 (2020: 3.2%). The Group will continue to adopt strict cost control measures to maintain these costs at a relatively stable and lower level.

### Finance costs

Our weighted average interest rate decreased from 5.10% for the year of 2020 to 4.96% for the year of 2021. As we obtained lower cost of financing during the year, the total interest expenses paid or accrued decreased to RMB4,639 million in 2021 (2020: RMB4,832 million), of which RMB2,239 million (2020: RMB2,111 million) was not capitalized and charged through consolidated income statement during the year.

### Taxation

The aggregate of enterprise income tax and deferred tax slightly increased to RMB2,684 million in 2021 (2020: RMB2,550 million), reflecting an effective tax rate of 35% (2020: 35%), maintained at same level as 2020. In addition, land appreciation tax in 2021 decreased to RMB2,022 million (2020: RMB2,817 million). The decrease was mainly due to lower applicable tax rate was applied during 2021.

### Profit attributable to owners of the Company

Profit attributable to owners of the Company decreased by 5% to RMB2,729 million for the year of 2021, as compared to RMB2,866 million in 2020, the decrease was mainly due to the net input of the above changes. Our management will continue to focus on the improvement of our shareholders' return as on-going task.

### Financial resources and liquidity

During 2021, the Group continued to refine our funding structure, liquidity and credit policies to minimize its risk exposure under the everchanging financial market and global economic environment. With overwhelming support from investors, the Group successfully issued guaranteed green notes of total USD720 million, corporate bonds of RMB4,550 million, private placement note of RMB6,000 million and commercial mortgage-backed note of RMB3,201 million in 2021. We are committed to managing the borrowings at an appropriate level, the borrowings increased from RMB82,204 million at the end of 2020 to RMB92,224 million as at the year end of 2021, of which 58% of the borrowings were denominated in Renminbi. The remaining borrowings were denominated in other currencies, such as HKD and USD. Approximately 65% of the borrowings were made at fixed interest rate.

As at 31 December 2021, the Group had total cash resources (including cash and cash equivalents and restricted bank deposits) of RMB27,079 million, of which 89% (31 December 2020: 92%) of the Group's cash resources were denominated in Renminbi with the remaining balances denominated in other currencies. The current ratio was 1.65 times (31 December 2020: 1.47 times).

As at 31 December 2021, the Group's net gearing ratio (i.e. total borrowings less total cash resources divided by total equity) was approximately 85% (31 December 2020: 55%). The increase in the net gearing ratio was mainly due to extreme factors such as the tightening of the overall financing regulatory policies in the real estate market and the excessive curtailing of bank mortgage loans, resulting in relative slower cash collection in the second half of 2021, furthermore, in response to extreme industry risks, we increased the drawdown of development loans to secure financial healthiness afterwards. Thanks to the trust of onshore and offshore financial institutions, the Group has ample onshore and offshore financing channels. The unutilized credit facilities was approximately RMB232,230 million as at 31 December 2021. In 2022, the market expects the policies will continue to be moderately relaxed. We would continue our prudent financial management philosophy, striving to keep the net gearing ratio stable, to have sufficient funding resources to carry out various businesses.



The maturities of the Group's total borrowings are set out as follows:

(RMB million)	As at 31 December 2021	As a percentage of total borrowings	As at 31 December 2020	As a percentage of total borrowings
Within 1 year	18,668	20%	25,934	32%
1 to 2 years	17,354	19%	17,459	21%
2 to 5 years	46,077	50%	27,005	33%
Over 5 years	10,125	11%	11,806	14%
Total	92,224	100%	82,204	100%

## Other investments

As at 31 December 2021, the Group owned a diversified investment portfolio, such as investments in joint ventures and associates for property development projects, investments in property funds, financial derivatives for hedging purposes, equity and debt financial investments in real estate.

The results of the above investments have been properly reflected in the audited financial information for the year ended 31 December 2021.

## Financial guarantees and charge on assets

As at 31 December 2021, the value of the guarantees provided by the Group to banks for mortgages extended to property buyers before completion of their mortgage registration was RMB15,826 million (2020: RMB9,800 million).

In 2021, the Group had pledged some of plant and equipment, land use rights, properties under development, completed properties held for sale, investment properties and equity interest to secure short-term borrowings (including the current portion of long-term borrowings) of RMB2,029 million (2020: RMB4,724 million) and long-term borrowings of RMB15,167 million (2020: RMB4,485 million). As at 31 December 2021, total pledged assets accounted for approximately 7% of the total assets of the Group (2020: 5%).

## Capital commitments

The Group entered into certain agreements in respect of land acquisition, property development and investment in a joint venture. As at 31 December 2021, the Group had a total capital commitment of RMB24,323 million (2020: RMB21,833 million).

## Contingent liabilities

In line with the prevailing commercial practice in the Mainland China, the Group provides guarantees for mortgages extended to property buyers before completion of their mortgage registration. As at 31 December 2021, the total amount of the aforesaid guarantees provided by the Group was RMB15,826 million (2020: RMB9,800 million). In the past, the Group had not incurred any material loss from providing such guarantees, as the guarantees were given as a transitional arrangement that would be terminated upon the completion of the mortgage registration and were secured by the buyers' properties.

As at 31 December 2021, the Group provided guarantees amounted to approximately RMB2,013 million for borrowings of joint ventures and third party (31 December 2020: RMB3,308 million).

## Material acquisitions and disposals of subsidiaries, associates and joint ventures

### • Cooperation in relation to investment in property development company

On 18 July 2021, Sino-Ocean Holding Group (China) Limited (遠洋控股集團(中國)有限公司) (an indirect wholly-owned subsidiary of the Company) entered into a cooperation framework agreement in relation to the indirect investment in Chongqing Hongxing Macalline Enterprise Development Co., Ltd.\* (重慶紅星美凱龍企業發展有限公司) ("Chongqing Hongxing Macalline") by the Group through a joint venture. The maximum amount of capital contribution to be made by the Group to the joint venture pursuant to the cooperation framework agreement is RMB2 billion. Chongqing Hongxing Macalline and its subsidiaries are principally engaged in the development of real estate projects and related business in the PRC.

Details of the cooperation in relation to the Group's investment in Chongqing Hongxing Macalline have been disclosed in the announcements of the Company dated 18 July 2021 and 22 July 2021.



- Disposal of property holding companies and investment in a limited partnership

On 13 October 2021, Fast Fame Capital Investment Limited (迅榮創富有限公司) and Sino-Ocean Holding Group (China) Limited (遠洋控股集團(中國)有限公司) (both of which are indirect wholly-owned subsidiaries of the Company) as sellers entered into a sale and purchase agreement with Jade Fortune Global Limited (翠運環球有限公司) and Beijing Yuanrui Enterprise Management Consulting Co., Ltd.\* (北京遠睿企業管理諮詢有限公司) (both of which are portfolio companies wholly owned by Sino-Ocean Prime Office Partners I LP (the “Partnership”) as purchasers for the sale and purchase of (a) the entire issued share capital of Super Goal Development Limited (崇高發展有限公司) (the “Z6 Target Company”) (which in turn holds 99.9% of the equity interests in Beijing Skyriver CBD Property Co., Ltd.\* (北京天江通睿置業有限公司) (the “Z6 Project Company”); and (b) the remaining 0.1% of the equity interests in the Z6 Project Company. The Z6 Project Company is the sole owner of the land located at Plot Z6, the Core area of the Central Business District, East Third Ring Road, Chaoyang District, Beijing, the PRC (中國北京市朝陽區東三環商務中心區(CBD)核心區Z6地塊) on which a grade-A office building (the “Z6 Property”) is being constructed. The consideration comprises an offshore tranche and an onshore tranche and the total consideration is estimated to be approximately RMB6,414.55 million. Upon completion of the sale and purchase of the entire of the issued share capital of the Z6 Target Company, the Z6 Target Company and the Z6 Project Company ceased to be subsidiaries of the Company, and the financial results of the Z6 Target Company and the Z6 Project Company were no longer consolidated into the accounts of the Group.

On the same day, New Shine Global Limited (新耀環球有限公司) (an indirect wholly-owned subsidiary of the Company) also executed a subscription agreement, pursuant to which it shall contribute a maximum of USD400 million to the Partnership as a sponsor limited partner. Three other external limited partners, all being global sovereign wealth fund(s) or government affiliated institutional investor(s), shall also contribute USD400 million, USD400 million and USD200 million to the Partnership, respectively. The Partnership primarily invests in prime office projects located in downtown locations in Beijing, the PRC, including the Z6 Property (excluding the part that is to be sold to a third party which is a member of a well-known international banking and financial services organization) and a grade-A office complex known as Ocean Office Park (遠洋光華國際) located on a land parcel at No. 10–12, Jin Tong West Road, Chaoyang District, Beijing, the PRC (中國北京市朝陽區金桐西路10–12號) and No. 5, Jing Hua South Street, Chaoyang District, Beijing, the PRC (中國北京市朝陽區景華南街5號). The Group’s investment in the Partnership has been accounted for as a joint venture in the Group’s financial statements upon completion.



Details of the disposal of the Z6 Target Company and the Z6 Project Company, as well as the Group's investment in the Partnership have been disclosed in the announcements of the Company dated 13 October 2021 and 10 December 2021 and the circular of the Company dated 24 November 2021.

#### • Subscription of shares in logistics property company

On 19 November 2021, Jovial Step International Limited (樂階國際有限公司) ("Jovial Step") (an indirect wholly-owned subsidiary of the Company) entered into a subscription agreement with Sino-Ocean Logistics Property Holding Limited (遠洋物流地產控股有限公司) (the "Target Logistics Company") and Ocean Thrive Global Limited (海昌環球有限公司), pursuant to which Jovial Step agreed to subscribe for, and the Target Logistics Company agreed to allot and issue, certain subscription shares at the aggregate subscription price of RMB780 million. The subscription shares represent 30% of the enlarged issued share capital of the Target Logistics Company upon completion. The Target Logistics Company and its subsidiaries are primarily engaged in logistics real estate investment, and construction and asset management of logistics real estate. The Target Logistics Company has been accounted for as a joint venture in the consolidated financial statements of the Company upon completion.

Details of the Group's investment in the Target Logistics Company have been disclosed in the announcement of the Company dated 19 November 2021.

#### • Subscription of shares in a non-wholly owned subsidiary

On 29 December 2021, Big Profit Creation Limited (巨利創建有限公司) ("Big Profit") (an indirect wholly-owned subsidiary of the Company) entered into a subscription agreement with Sino-Ocean Yuntai Data Technology Co., Limited (遠洋雲泰數據科技有限公司) (the "Target IDC Company") (an indirect non-wholly owned subsidiary of the Company), pursuant to which Big Profit agreed to subscribe for, and the Target IDC Company agreed to issue and sell, certain subscription shares at the aggregate subscription price of the US dollars equivalent of RMB1,023,829,000. The subscription shares represent approximately 24.83% of the enlarged issued share capital of the Target IDC Company upon closing. The Target IDC Company and its subsidiaries are primarily engaged in internet data centers operation and internet data center-integrated solutions provision in the PRC. Its operation and financial is insignificant to the Group as of 31 December 2021, and the Group has consolidated its results through certain arrangement according to ordinary, usual agreements and relevant regulations. Upon completion, the Group's shareholding in the Target IDC Company was increased from approximately 34.72% to approximately 50.92% and the Target IDC Company continues to be an indirect non-wholly owned subsidiary of the Company.

Details of the Group's investment in the Target IDC Company have been disclosed in the announcement of the Company dated 29 December 2021.

\* For identification purposes only

## BUSINESS REVIEW

### Property development

#### Recognized sales

Revenue from property development business increased by 11% in 2021, amounting to RMB55,130 million (2020: RMB49,617 million). Saleable GFA delivered decreased by 5% from approximately 3,412,000 sq.m. in 2020 to approximately 3,243,000 sq.m. in 2021. Excluding carparks sales, the average selling price recognized in 2021 increased to RMB19,500 per sq.m. (2020: RMB15,900 per sq.m.). The increase was mainly due to more projects in tier-one and core tier-two cities being delivered in 2021, such as Ocean Palace in Shenzhen and Xanadu & Ocean Epoch in Beijing.

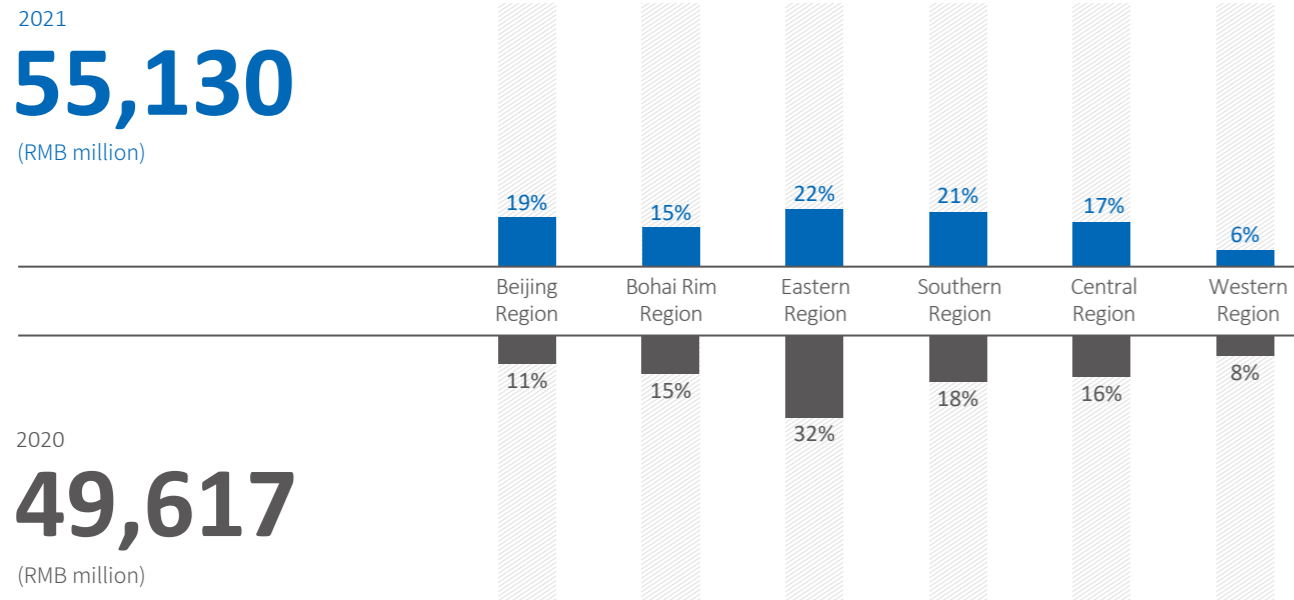
Revenue and saleable GFA delivered by cities during 2021 are set out as follows:

Regions	Cities	Revenue (RMB million)	Saleable GFA delivered (sq.m.)	Approximate average selling price recognized (RMB/sq.m.)
Beijing Region	Beijing	8,058	161,650	49,800
	Taiyuan	829	85,393	9,700
	Qinhuangdao	1,046	68,639	15,200
	Shijiazhuang	399	24,957	16,000
		<b>10,332</b>	<b>340,639</b>	<b>30,300</b>
Bohai Rim Region	Tianjin	1,605	74,232	21,600
	Dalian	463	44,324	10,400
	Jinan	1,883	130,558	14,400
	Qingdao	3,778	126,862	29,800
	Yantai	37	3,515	10,500
	<b>7,766</b>	<b>379,491</b>	<b>20,500</b>	
Eastern Region	Shanghai	2,887	102,028	28,300
	Wenzhou	2,288	196,584	11,600
	Suzhou	302	25,692	11,800
	Wuxi	1,155	81,104	14,200
	Nanjing	420	40,031	10,500
	Hangzhou	3,691	121,835	30,300
	Jiaxing	34	2,270	15,000
	<b>10,777</b>	<b>569,544</b>	<b>18,900</b>	

Regions	Cities	Revenue (RMB million)	Saleable GFA delivered (sq.m.)	Approximate average selling price recognized (RMB/sq.m.)
Southern Region	Shenzhen	7,784	110,358	70,500
	Zhongshan	397	47,658	8,300
	Guangzhou	432	20,123	21,500
	Zhanjiang	512	63,360	8,100
	Zhangzhou	12	1,395	8,600
	Foshan	358	30,758	11,600
	Maoming	222	48,288	4,600
	Fuzhou	1,661	129,456	12,800
		<b>11,378</b>	<b>451,396</b>	<b>25,200</b>
Central Region	Wuhan	6,783	320,412	21,200
	Ganzhou	609	87,481	7,000
	Hefei	1,433	144,118	9,900
	Nanchang	392	36,750	10,700
			<b>9,217</b>	<b>588,761</b>
Western Region	Chengdu	690	87,013	7,900
	Guiyang	241	21,752	11,100
	Xining	1,384	97,913	14,100
	Liuzhou	584	77,316	7,600
	Chongqing	295	27,735	10,600
			<b>3,194</b>	<b>311,729</b>
	Other projects	907	103,494	8,800
<b>Subtotal (excluding carpark)</b>		<b>53,571</b>	<b>2,745,054</b>	<b>19,500</b>
Carparks (various projects)		1,559	497,807	3,100
<b>Total</b>		<b>55,130</b>	<b>3,242,861</b>	<b>17,000</b>

During 2021, the Group developed a balanced mix of contribution from the six regions on its revenue from property development business.

Revenue from property development by geographical locations are analyzed below:



In terms of property types, residential properties (including villa) continued to contribute the largest portion of property development revenue, accounting for 93% in 2021 (2020: 89%). The average selling price recognized for the revenue from residential properties (including villa) in 2021 increased by 22% to RMB19,700 per sq.m. (2020: RMB16,100 per sq.m.) while corresponding total saleable GFA delivered decreased by 5% from approximately 2,737,000 sq.m. in 2020 to approximately 2,597,000 sq.m. in 2021.

Revenue from property development in terms of property types are analyzed below:

	2021		2020	
	Revenue (RMB million)	GFA delivered ('000 sq.m.)	Revenue (RMB million)	GFA delivered ('000 sq.m.)
Residential and villa	51,155	2,597	44,173	2,737
Office premises	612	29	1,186	34
Retail space	1,804	119	2,834	265
Carparks	1,559	498	1,424	376



Ocean Prospect (Xiamen)

## Contracted sales

The contracted sales of the Group, together with its joint ventures and associates, for the twelve months ended 31 December 2021 amounted to a record high of approximately RMB136,260 million, representing 4% increase compared to RMB131,040 million in 2020. Contracted saleable GFA sold in 2021 increased by 9% to approximately 7,673,500 sq.m. (2020: 7,063,500 sq.m.). The average selling price (excluding car parks) decreased by 7% to approximately RMB19,400 per sq.m. (2020: RMB20,800 per sq.m.).

The contracted sales amounts and saleable GFA sold by cities in 2021 are set out below:

Regions	Cities	Contracted sales (RMB million)	Approximate saleable GFA sold (sq.m.)	Approximate average selling price (RMB/sq.m.)
Beijing Region	Beijing	22,931	410,900	55,800
	Langfang	686	38,400	17,900
	Taiyuan	2,073	218,300	9,500
	Jinzhong	603	82,300	7,300
	Qinhuangdao	2,207	156,500	14,100
	Shijiazhuang	2,466	183,300	13,500
	Zhangjiakou	360	43,400	8,300
		<b>31,326</b>	<b>1,133,100</b>	<b>27,600</b>
Bohai Rim Region	Tianjin	9,294	465,600	20,000
	Dalian	2,995	141,000	21,200
	Jinan	4,973	377,600	13,200
	Qingdao	1,985	85,300	23,300
	Shenyang	764	90,500	8,400
	Changchun	27	3,300	8,200
	Anshan	149	27,100	5,500
		<b>20,187</b>	<b>1,190,400</b>	<b>17,000</b>
Eastern Region	Shanghai	8,445	173,000	48,800
	Suqian	899	71,700	12,500
	Wenzhou	3,507	151,400	23,200
	Suzhou	4,320	239,200	18,100
	Zhenjiang	603	56,600	10,700
	Yangzhou	1,430	89,700	15,900
	Wuxi	4,666	237,500	19,600
	Changzhou	21	1,600	13,100
	Nanjing	4,053	159,800	25,400

Regions	Cities	Contracted sales (RMB million)	Approximate saleable GFA sold (sq.m.)	Approximate average selling price (RMB/sq.m.)
	Nantong	517	57,900	8,900
	Jinhua	1,447	97,600	14,800
	Hangzhou	2,094	44,300	47,300
	Huai'an	54	2,700	20,000
	Chuzhou	154	21,200	7,300
		<b>32,210</b>	<b>1,404,200</b>	<b>22,900</b>
Southern Region	Shenzhen	4,602	77,500	59,400
	Zhongshan	2,186	183,600	11,900
	Guangzhou	2,579	117,100	22,000
	Zhanjiang	576	66,000	8,700
	Jiangmen	760	63,900	11,900
	Zhangzhou	2,289	167,000	13,700
	Foshan	554	35,900	15,400
	Maoming	156	34,200	4,600
	Xiamen	1,233	46,100	26,700
	Longyan	775	70,300	11,000
	Fuzhou	1,213	60,500	20,000
	Hong Kong	1,337	6,000	222,800
		<b>18,260</b>	<b>928,100</b>	<b>19,700</b>
Central Region	Wuhan	10,664	399,600	26,700
	Changsha	713	88,300	8,100
	Zhengzhou	2,318	221,600	10,500
	Ganzhou	828	82,800	10,000
	Hefei	1,135	85,300	13,300
	Nanchang	1,037	106,800	9,700
		<b>16,695</b>	<b>984,400</b>	<b>17,000</b>
Western Region	Chengdu	711	67,500	10,500
	Xi'an	2,997	152,300	19,700

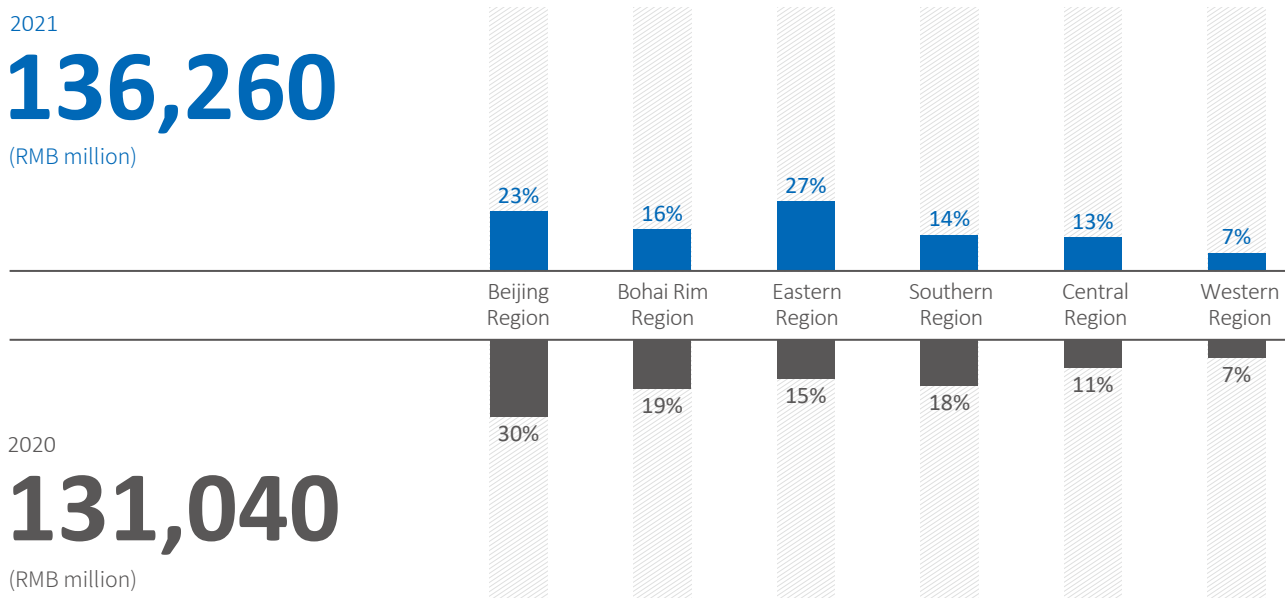
Regions	Cities	Contracted sales (RMB million)	Approximate saleable GFA sold (sq.m.)	Approximate average selling price (RMB/sq.m.)
	Guiyang	839	72,200	11,600
	Xining	801	68,700	11,700
	Urumqi	681	78,100	8,700
	Liuzhou	400	38,500	10,400
	Chongqing	1,052	87,400	12,000
	Xishuangbanna	273	36,200	7,500
	Kunming	975	101,400	9,600
	Lanzhou	68	12,700	5,400
		<b>8,797</b>	<b>715,000</b>	<b>12,300</b>
	Other projects	5,383	510,600	10,500
<b>Subtotal (excluding carparks)</b>		<b>132,858</b>	<b>6,865,800</b>	<b>19,400</b>
Carparks (various projects)		3,402	807,700	4,200
<b>Total</b>		<b>136,260</b>	<b>7,673,500</b>	<b>17,800</b>

There were over 220 projects available for sale during 2021 (2020: over 170 projects). Contracted sales from tier-one and tier-two cities accounted for approximately 86% (2020: over 90%). In terms of distribution, 61% of the Group's contracted sales were contributed by the Eastern, Southern, Central and Western Regions in 2021 (2020: 51%), which reflects the Group further implements the strategic planning towards the 'south and west'.



Seatopia (Qinhuangdao)

Contracted sales amounts by geographical locations are analyzed below:



In terms of property types, residential properties (including villa) continued to contribute the largest portion of contracted sales amount and accounted for 89% in 2021 (2020: 87%). The average selling price for residential properties (including villa) in 2021 decreased by 12% to approximately RMB19,200 per sq.m. (2020: about RMB21,700 per sq.m.) and the saleable GFA sold for residential use increased by 20% from approximately 5,246,000 sq.m. in 2020 to approximately 6,276,000 sq.m. in 2021.

Contracted sales amount in terms of property types are analyzed below:

	2021		2020	
	Contracted sales amount (RMB million)	Saleable GFA sold ('000 sq.m.)	Contracted sales amount (RMB million)	Saleable GFA sold ('000 sq.m.)
Residential and villa	120,801	6,276	113,930	5,246
Office premises	5,371	247	3,262	245
Retail space	6,686	343	5,743	418
Carparks	3,402	808	8,105	1,155



## Construction Progress and Developing Projects

The Group's total GFA and total saleable GFA (including its joint ventures and associates) completed in 2021 were approximately 9,250,500 sq.m. and 6,723,700 sq.m., respectively, which increased by 46% and 30%, respectively, as compared to that of 2020. The Group will maintain the current construction scale in order to have enough GFA available for sale and for delivery to support the growth in 2022.

The details of construction progress and development progress are set out below:

Regions	Cities	Projects	Approximate GFA completed in 2021 (sq.m.)	Approximate targeted GFA to be completed in 2022 (sq.m.)
Beijing Region	Beijing	Grand Canal Place	–	441,000
		Grand Harmony Emerald Residence	57,300	166,700
		Jasper Epoch	25,000	–
		Ocean Rayzone	441,000	–
		Ocean Wulieepoch	289,900	–
		Royal River Villa	132,000	–
		Sino-Ocean Apple Garden No.6	38,000	31,000
		Xanadu & Ocean Epoch	230,000	–
		Xanadu & Ocean Palace	296,100	–
	Langfang	Capital Palace	–	30,000
		Ocean Brilliant City	152,500	212,000
	Taiyuan	Glory Mansion	–	153,100
		Ocean Seasons	–	87,600
		Sino-Ocean Oriental Mansion	104,600	–
		Sky Masion	60,100	229,800
	Jinzhong	Sky of Palace	–	369,800
		Sky Masion	302,300	92,300
	Qinhuangdao	Seatopia	87,600	36,200
	Shijiazhuang	Chang'an District Redevelopment Project	–	140,800
		Harmony Palace	90,200	61,800
Vigorous Mansion		–	89,000	
Zhangjiakou	Centrality Mansion	–	203,000	
Bohai Rim Region	Tianjin	Beichen Logistics Project	124,000	–
		Capital Palace	137,100	–
		Eco-city Aegean Place	99,700	–
		Harmony Mansion	–	102,000
		Neo-metropolis	338,700	268,800

Regions	Cities	Projects	Approximate GFA completed in 2021 (sq.m.)	Approximate targeted GFA to be completed in 2022 (sq.m.)
		Sino-Fusion Baodi Logistics Park	32,000	–
		Sino-Ocean Brilliant Courtyard	78,900	152,000
		Sky Masion	41,300	336,500
		Sky Masion Bay	–	253,000
		The Great Habitat Mansion House	346,300	–
	Dalian	Diamond Bay	–	129,200
		Joy of Mountain and Sea	–	189,000
		Ocean Mansion	–	36,000
		Ocean The Piedmont Epoch	30,200	–
	Jinan	Ocean Epoch	251,100	–
		Ocean Mansion	–	118,600
		Sino-Ocean Metropolis	–	291,000
		Sky Masion	192,800	388,300
	Qingdao	Ocean Crown	–	125,000
		Sino-Ocean Harmony	251,700	125,300
	Changchun	Guantangyuanzhu	–	149,900
	Anshan	International Plaza	–	122,600
Eastern Region	Shanghai	Baoshan Sky Masion	–	213,000
		Dongtan Villa	160,900	–
		Hongqiao Origin	–	75,000
	Suqian	Shuyang Aegean Place	–	90,000
		Shuyang Sky Masion	–	541,900
		Sky Masion	–	309,200
	Wenzhou	Binhai Sky Masion	268,500	161,400
		Center Mansion	–	40,000
		Harbor Heart	–	87,000
		Shan Hai One	–	123,000
		Xingfuli	–	234,000
	Suzhou	Rocker Park	207,300	–
		Scenert East	29,000	46,500
		Shengze Sky Masion	88,200	81,900
		Zhangjiagang Logistics Project	59,000	–

Regions	Cities	Projects	Approximate GFA completed in 2021 (sq.m.)	Approximate targeted GFA to be completed in 2022 (sq.m.)
	Zhenjiang	Central Mansion	–	136,900
		Danyang Sky Mansion	–	110,300
	Yangzhou	Grand Canal Milestone	56,000	–
		Royal Mansion	–	63,000
	Wuxi	Scenery Mansion	109,000	–
		Sky Mansion	–	127,600
	Nanjing	Ocean Seasons	234,400	–
		The One	–	231,400
	Nantong	Sky Mansion	–	24,000
		Star City	–	171,000
	Jinhua	Jinyi Sky Mansion	130,600	–
	Hangzhou	Ocean New Masterpiece	–	44,000
	Huai'an	International Plaza	1,400	34,200
	Jiaxing	Zhapu Logistics Center	44,000	–
Southern Region	Shenzhen	Ocean Palace	196,000	–
		Ocean Seafront Towers	115,000	–
	Zhongshan	Blossoms Valley	–	175,900
		SCity (formerly known as Suixicun 163 Project, Nantou)	38,100	92,300
		Sino-Ocean Landscape	78,400	138,100
	Guangzhou	East Bay	80,400	44,500
	Zhanjiang	Ocean City	142,500	34,900
	Jiangmen	Cloud Mansion	–	24,100
	Zhangzhou	Sea and Star	–	146,700
	Foshan	Delight River	800	–
		Elite Palace	73,300	–
	Maoming	Sino-Ocean Landscape	94,600	40,100
	Fuzhou	East Bay	81,600	–
		East Bay Upgrade	–	51,000
		Sino-Ocean Landscape	89,000	–

Regions	Cities	Projects	Approximate GFA completed in 2021 (sq.m.)	Approximate targeted GFA to be completed in 2022 (sq.m.)	
Central Region	Wuhan	Citylane	43,300	336,100	
		Dongxihu Logistics Project	47,000	–	
		Heart of Hankow	234,900	–	
		Oriental World View	372,200	370,600	
	Changsha	Sky Masion	–	217,300	
	Zhengzhou	Glory Mansion	–	135,000	
		Ocean Landscape Courtyard	44,700	159,300	
		Ocean Prospect	169,000	–	
	Ganzhou	Aegean Place	–	144,000	
		Sky Masion	136,200	543,400	
	Hefei	Ocean Glory	90,700	–	
		Ocean Landscape	142,400	–	
	Nanchang	Aegean Place	–	118,500	
		Ocean Palace	26,100	–	
		Sky Masion	150,100	–	
	Western Region	Chengdu	Qingbaijiang Logistics Project	276,000	–
		Xi'an	Qinhan Logistics Center	67,000	–
			Sino-Ocean Royal Landscape	–	292,000
			Xianyang Logistics Project	77,000	–
Xining		Sky Masion	104,400	311,200	
		Sky Palace	107,800	120,700	
Urumqi		Royal Mansion	–	110,200	
		Sky Palace	–	89,900	
Liuzhou		Glory Mansion	119,200	–	
Chongqing		Life In Art Dist	–	2,000	
		Jiangjin Logistics Project	60,000	–	
Xishuangbanna		Rainforest Resorts	68,900	88,300	
Kunming		In Galaxy	45,600	–	
		Sino-Ocean Esthetics Mansion	81,200	–	
Lanzhou		Sky Masion	117,400	181,000	
Qiannan	Guiyang Logistics Project, Phase II	61,000	–		
<b>Total</b>			<b>9,250,500</b>	<b>12,043,700</b>	

## Landbank

In 2021, we acquired 25 residential projects and 21 non-residential projects<sup>1</sup> (including logistics projects and internet data centers), total GFA and attributable interest GFA were approximately 7,171,000 sq.m. and 4,114,000 sq.m., respectively. The average acquisition cost per sq.m. of the newly acquired residential projects was approximately RMB7,040. As at 31 December 2021, including the projects acquired through a framework agreement by a joint venture during 2021, the landbank of the Group (including its joint ventures and associates) increased by 40% to approximately 53,135,000 sq.m. (31 December 2020: 38,043,000 sq.m.); while landbank with attributable interest increased by 43% to approximately 28,503,000 sq.m. (31 December 2020: 19,945,000 sq.m.). In terms of saleable GFA, the average land cost per sq.m. for our landbank as at 31 December 2021 was approximately RMB6,600 (31 December 2020: RMB7,900).

Details of the newly acquired land plots during 2021 are mainly set out as follows:

Cities	Projects	Approximate total GFA acquired ('000 sq.m.)	Approximate GFA attributable to the Group ('000 sq.m.)	Interest attributable to the Group (%)
<b>Landbank</b>				
Langfang	Capital Palace	51	27	52.15%
Langfang	Jiangkai Logistics Project	151	22	14.70%
Langfang	Yanjiao Sanhe Internet Data Center	73	18	24.50%
Taiyuan	Glory Mansion	288	150	52.15%
Taiyuan	Jiefang Road Aegean Place	125	65	52.15%
Taiyuan	Sky Masion	394	144	36.51%
Taiyuan	Sky of Palace	897	239	26.60%
Taiyuan	Wangjiafeng Aegean Place	109	40	36.51%
Jinzhong	Sky Masion	1,478	501	33.90%
Shijiazhuang	Gaocheng Logistics Project	54	35	64.30%
Tianjin	Capital Palace	346	180	52.15%
Tianjin	Eco-city Aegean Place	110	57	52.15%
Tianjin	Fantastic Time	151	77	51.00%
Tianjin	Jixian Aegean Place	87	45	52.15%
Tianjin	Ocean Orient	164	164	100.00%
Tianjin	Sky Masion	388	202	52.15%
Tianjin	Sky Masion Bay	253	132	52.15%
Tianjin	Southend Airport Logistics Project	69	34	64.30%
Tianjin	UPED	653	333	51.00%
Tianjin	Westend Airport Logistics Project	52	33	64.30%
Dalian	Tawanhe Plot, Lvshunkou District	234	234	100.00%

Note 1: Excluding the projects acquired through non-major platforms.

Cities	Projects	Approximate total GFA acquired ('000 sq.m.)	Approximate GFA attributable to the Group ('000 sq.m.)	Interest attributable to the Group (%)
Jinan	Aegean Place	83	25	30.67%
Jinan	Beihu West Plot A, Tianqiao District	555	333	60.00%
Jinan	Sky Masion	583	179	30.67%
Qingdao	Haibohe Plot, Shibe District	102	11	10.75%
Qingdao	Sino-Ocean Landscape	113	113	100.00%
Shenyang	Ocean Noble Mansion	47	47	100.00%
Changchun	Guantangyuanzhu	326	170	52.15%
Anshan	International Plaza	167	87	52.15%
Harbin	Venice Manor	181	94	52.15%
Shanghai	Baoshan Sky Masion	213	111	52.15%
Shanghai	Lingang Aegean Place	66	34	52.15%
Shanghai	Lingang Sky Masion	172	90	52.15%
Suqian	Aegean Place	117	43	36.51%
Suqian	Shuyang Aegean Place	107	107	100.00%
Suqian	Shuyang Sky Masion	545	545	100.00%
Suqian	Sky Masion	484	177	36.51%
Wenzhou	Aegean Place	82	82	100.00%
Wenzhou	Binhai Sky Masion	488	488	100.00%
Wenzhou	Ocean Peninsula No.9	276	73	26.60%
Wenzhou	Plot 11-E-05, Longwan District	85	85	100.00%
Wenzhou	Center Mansion	40	40	100.00%
Wenzhou	Xingfuli	234	79	33.90%
Suzhou	Scenery East	108	108	100.00%
Suzhou	Shengze Sky Masion	262	130	49.54%
Zhenjiang	Central Mansion	607	304	50.00%
Zhenjiang	Sky Masion	110	57	52.15%
Yangzhou	Home Furniture Mall	81	42	52.15%
Yangzhou	Sky Masion	467	244	52.15%

Cities	Projects	Approximate total GFA acquired ('000 sq.m.)	Approximate GFA attributable to the Group ('000 sq.m.)	Interest attributable to the Group (%)
Wuxi	Sky Masion	223	70	31.29%
Changzhou	Aegean Place	197	103	52.15%
Changzhou	International Plaza	86	45	52.15%
Nantong	Sky Masion	26	7	26.08%
Nantong	Star City	171	45	26.08%
Jinhua	Jinyi Sky Masion	99	46	46.94%
Jinhua	Ocean Mountain Courtyard	171	45	26.60%
Huai'An	International Plaza	92	21	22.42%
Shenzhen	Peace Palace	278	175	63.01%
Zhongshan	Natural Mansion	76	39	51.00%
Zhongshan	Ocean Palace	181	126	69.80%
Guangzhou	Natural Mansion	76	76	100.00%
Foshan	Landscape	80	39	49.00%
Foshan	Natural Mansion	140	70	50.00%
Xiamen	Ocean Prospect	199	199	100.00%
Wuhan	Aegean Place	62	16	26.60%
Wuhan	Dongxihu Xingou Logistics Project	112	32	28.19%
Wuhan	Sky Masion	22	6	26.60%
Wuhan	Zhongjiacun Plot, Hanyang District	322	164	51.00%
Changsha	Aegean Place	69	29	41.72%
Changsha	Sky Masion	878	366	41.72%
Zhengzhou	Glory Mansion	135	39	28.68%
Zhengzhou	The Collection	182	146	80.00%
Ganzhou	Aegean Place	144	77	53.59%
Ganzhou	Sky Masion	888	476	53.59%
Hefei	Hefei Logistics Project, Phase IV	66	42	64.30%

Cities	Projects	Approximate total GFA acquired ('000 sq.m.)	Approximate GFA attributable to the Group ('000 sq.m.)	Interest attributable to the Group (%)
Hefei	Ideal Bourn	104	104	100.00%
Hefei	West Furong Road Plot, Jingkai District	455	137	30.00%
Nanchang	Aegean Place	124	65	52.15%
Nanchang	Sky Masion	94	49	52.15%
Chengdu	Ocean Ecological Land	199	101	51.00%
Chengdu	Wenjiang Internet Data Center	54	13	24.50%
Xi'an	Aegean Place	104	28	26.60%
Xi'an	Ocean Mansion	558	236	42.33%
Xi'an	Sky Masion	462	123	26.60%
Xi'an	Xianyang Logistics Project	77	50	64.30%
Guiyang	Sky Masion	780	329	42.24%
Guiyang	Sky Masion, Retail	89	38	42.24%
Xining	Aegean Place	121	93	76.55%
Xining	Sky Masion	792	330	41.72%
Xining	Sky Palace	311	238	76.55%
Urumqi	Mansion Hills	74	39	52.15%
Urumqi	Royal Mansion	402	210	52.15%
Urumqi	Sky Masion	148	77	52.15%
Urumqi	Sky Palace	85	44	52.15%
Liuzhou	Aegean Place	85	65	76.55%
Liuzhou	Glory Mansion	357	273	76.55%
Liuzhou	Sky Masion	320	167	52.15%
Xishuangbanna <sup>1</sup>	Rainforest Resorts	460	120	26.08%
Luzhou	Sky Masion	279	145	52.15%
Lanzhou	Sky Masion	397	124	31.29%
Qiannan <sup>2</sup>	Guiyang Logistics Project, Phase II	61	39	64.30%
<b>Subtotal</b>		<b>24,795</b>	<b>12,376</b>	

## Notes:

1 Xishuangbanna is an abbreviation for Xishuangbanna Dai Autonomous Prefecture.

2 Qiannan is an abbreviation for Qiannan Buyi and Miao Autonomous Prefecture.



Cities	Projects	Approximate total GFA acquired ('000 sq.m.)	Approximate GFA attributable to the Group ('000 sq.m.)	Interest attributable to the Group (%)
<b>Developed Project</b>				
Beijing	Shunyi Logistics Project	123	60	49.00%
Beijing	Yizhuang Zhengyuan Internet Data Center	52	25	49.00%
Tianjin	Jianghai Logistics Project	84	41	49.00%
Tianjin	Hedong Aegean Place	221	75	33.90%
Shanghai	CURA International Center	37	4	12.09%
Suzhou	Aegean Place	138	36	26.08%
Fuzhou	Aegean Place	131	41	31.29%
Wuhan	Caidian Logistics Project	25	12	49.00%
Hefei	Hefei Logistics Project, Phase I	126	62	49.00%
Hefei	Hefei Logistics Project, Phase II	24	12	49.00%
Hefei	Hefei Logistics Project, Phase III	44	22	49.00%
Chongqing	Chongqing Logistics Project, Phase I	91	45	49.00%
Chongqing	Chongqing Logistics Project, Phase II	54	26	49.00%
Qiannan	Guiyang Logistics Project, Phase I	33	16	49.00%
<b>Subtotal</b>		<b>1,183</b>	<b>477</b>	
<b>Total</b>		<b>25,978</b>	<b>12,853</b>	

The landbank by stages of development as at 31 December 2021 are set out as follows:

	Approximate total GFA ('000 sq.m.)	Approximate total saleable GFA ('000 sq.m.)	Remaining landbank ('000 sq.m.)
Completed properties held for sales	31,309	22,140	5,316
Properties under development	40,052	30,440	40,052
Properties held for future development	7,767	5,107	7,767
<b>Total</b>	<b>79,128</b>	<b>57,687</b>	<b>53,135</b>

The landbank details of the Group and its joint ventures and associates as at 31 December 2021 are set out as follows:

Regions	Cities	Projects	Districts	Approximate total GFA ('000 sq.m.)	Approximate total saleable GFA ('000 sq.m.)	Remaining landbank ('000 sq.m.)	Interest attributable to the Group (%)
Beijing Region	Beijing	Anzhen Project	Chaoyang District, Beijing	46	–	46	11.97%
		Captain House	Fengtai District, Beijing	131	100	131	51.00%
		CBD Plot Z6	Chaoyang District, Beijing	27	21	27	28.57%
		Changping Sci-tech Park F2 Project	Changping District, Beijing	256	193	251	50.00%
		Gold Mansion	Daxing District, Beijing	118	99	91	25.00%
		Grand Canal Place	Tongzhou District, Beijing	479	334	379	50.00%
		Grand Harmony Emerald Residence	Daxing District, Beijing	224	165	156	40.00%
		Jasper Epoch	Daxing District, Beijing	92	78	50	49.00%
		Jialihua Project, Shunyi District	Shunyi District, Beijing	277	206	277	100.00%
		Liangxiang Project	Fangshan District, Beijing	126	102	126	11.10%
		Mentougou Tanzhe Temple Project	Mentougou District, Beijing	430	344	430	10.00%
		Ocean LA VIE	Chaoyang District, Beijing	318	305	45	85.72%
		Ocean Metropolis	Mentougou District, Beijing	330	276	130	51.00%
		Ocean Poetic Dwelling	Shijingshan District, Beijing	249	187	249	31.00%
		Ocean Wulieepoch	Shijingshan District, Beijing	595	458	271	21.00%
		Our New World	Fangshan District, Beijing	109	91	14	100.00%
		Plot 6002, Mentougou New Town	Mentougou District, Beijing	125	97	75	21.00%
		Royal River Villa	Chaoyang District, Beijing	132	118	20	20.00%
		Sino-Ocean Apple Garden No.6	Shijingshan District, Beijing	69	50	69	51.00%
		The CBD's Private Palace	Daxing District, Beijing	436	383	48	100.00%
		World View	Chaoyang District, Beijing	71	52	71	25.00%
		Xanadu & Ocean Epoch	Chaoyang District, Beijing	230	193	42	50.00%
		Xanadu & Ocean Palace	Daxing District, Beijing	300	207	104	50.00%
Xiji Plot E, Tongzhou District	Tongzhou District, Beijing	139	136	139	50.00%		
Xinchi Tower	Daxing District, Beijing	67	41	67	70.00%		
Yongjingtaoyuan Project	Chaoyang District, Beijing	692	554	692	44.88%		
				<b>6,068</b>	<b>4,790</b>	<b>4,000</b>	

Regions	Cities	Projects	Districts	Approximate total GFA ('000 sq.m.)	Approximate total saleable GFA ('000 sq.m.)	Remaining landbank ('000 sq.m.)	Interest attributable to the Group (%)
	Langfang	Capital Palace	Anci District, Langfang	404	292	33	52.15%
		Jingkai Logistics Project	Jingkai District, Langfang	151	–	151	14.70%
		Ocean Brilliant City	Guangyang District, Langfang	1,897	954	1,897	38.00%
		Plot I, Guangyang Logistics Project	Guangyang District, Langfang	41	–	41	28.19%
		Plot II, Guangyang Logistics Project	Guangyang District, Langfang	144	–	144	14.70%
		Yanjiao Sanhe Internet Data Center	Yanjiao County, Langfang	73	–	73	24.50%
				<b>2,710</b>	<b>1,246</b>	<b>2,339</b>	
	Taiyuan	Glory Mansion	Xinghualing District, Taiyuan	288	198	288	52.15%
		Jiefang Road Aegean Place	Xinghualing District, Taiyuan	125	–	125	52.15%
		Ocean Seasons	Wanbailin District, Taiyuan	308	254	308	70.00%
		Sky Masion	Yingze District, Taiyuan	394	286	313	36.51%
		Sky of Palace	Wanbailin District, Taiyuan	897	529	897	26.60%
		Villa Epoch	Yangqu County, Taiyuan	54	34	34	44.00%
		Wangjiafeng Aegean Place	Yingze District, Taiyuan	109	–	109	36.51%
				<b>2,175</b>	<b>1,301</b>	<b>2,074</b>	
	Jinzhong	Sky Masion	Yuci District, Jinzhong	2,067	1,537	1,435	33.90%
	Qinhuangdao	Seatopia	Funing District, Qinhuangdao	1,438	1,243	1,148	100.00%
	Shijiazhuang	Ande Life Memorial Park	Jingxing County, Shijiazhuang	18	3	18	40.00%
		Chang'an District Redevelopment Project	Chang'an District, Shijiazhuang	147	94	147	51.00%
		Family Park	Chang'an District, Shijiazhuang	132	108	132	35.70%
		Family Park, Phase II	Chang'an District, Shijiazhuang	84	66	84	35.70%
		Gaocheng Logistics Project	Gaocheng District, Shijiazhuang	54	–	54	64.30%
		Harmony Palace	Zhengding New District, Shijiazhuang	152	140	96	38.35%
		Ocean Home Park	Gaocheng District, Shijiazhuang	48	43	48	40.00%
		Sino-Ocean No. 7	Chang'an District, Shijiazhuang	115	103	115	20.00%
		Vigorous Mansion	Chang'an District, Shijiazhuang	228	171	118	51.00%
				<b>978</b>	<b>728</b>	<b>812</b>	
	Zhangjiakou	Centrality Mansion	Qiaodong District, Zhangjiakou	203	163	143	60.00%
				<b>15,639</b>	<b>11,008</b>	<b>11,951</b>	

Regions	Cities	Projects	Districts	Approximate total GFA ('000 sq.m.)	Approximate total saleable GFA ('000 sq.m.)	Remaining landbank ('000 sq.m.)	Interest attributable to the Group (%)
Bohai Rim Region	Tianjin	Boda Logistics Project	Wuqing District, Tianjin	285	–	285	49.00%
		Capital Palace	Jizhou District, Tianjin	346	213	199	52.15%
		Fantastic Time	Dongli District, Tianjin	151	115	151	51.00%
		Happy Light Year	Wuqing District, Tianjin	504	317	385	49.98%
		Harmony Mansion	Binhai New Area, Tianjin	102	78	102	58.00%
		Jixian Aegean Place	Jizhou District, Tianjin	87	–	87	52.15%
		Neo-metropolis	Beichen District, Tianjin	3,034	2,615	2,503	51.00%
		Ocean City	Binhai New Area, Tianjin	2,137	1,929	41	70.00%
		Ocean Epoch	Binhai New Area, Tianjin	35	25	18	100.00%
		Ocean Great Harmony	Xiqing District, Tianjin	350	290	47	100.00%
		Ocean Orient	Binhai New Area, Tianjin	164	126	164	100.00%
		Ocean Prospect	Dongli District, Tianjin	321	309	50	100.00%
		Royal River	Wuqing District, Tianjin	349	333	21	100.00%
		Sino-Ocean Brilliant Courtyard	Binhai New Area, Tianjin	675	488	111	64.28%
		Sky Masion	Binhai New Area, Tianjin	388	231	381	52.15%
		Sky Masion Bay	Binhai New Area, Tianjin	253	182	253	52.15%
		Southend Airport Logistics Project	Dongli District, Tianjin	69	–	69	64.30%
		The Great Habitat Mansion House	Dongli District, Tianjin	562	385	41	6.00%
		UPED	Binhai New Area, Tianjin	653	445	653	51.00%
		Westend Airport Logistics Project	Dongli District, Tianjin	52	–	52	64.30%
		Xanadu	Binhai New Area, Tianjin	185	135	185	42.86%
						<b>10,702</b>	<b>8,216</b>
Dalian		Diamond Bay	Ganjingzi District, Dalian	1,497	1,345	1,032	100.00%
		Joy of Mountain and Sea	Ganjingzi District, Dalian	189	150	182	51.00%
		Ocean Mansion	Shahekou District, Dalian	36	25	36	100.00%
		Ocean The Piedmont Epoch	Lvshunkou District, Dalian	68	46	13	100.00%
		Ocean Worldview	Jinzhou District, Dalian	1,902	1,645	353	100.00%

Regions	Cities	Projects	Districts	Approximate total GFA ('000 sq.m.)	Approximate total saleable GFA ('000 sq.m.)	Remaining landbank ('000 sq.m.)	Interest attributable to the Group (%)
		Sino-Ocean Technopole	Jinzhou District, Dalian	922	540	922	100.00%
		Tawanhe Plot, Lvshunkou District	Lvshunkou District, Dalian	234	200	234	100.00%
		Zhonghua Road Plot #2	Ganjingzi District, Dalian	111	52	111	100.00%
				<b>4,959</b>	<b>4,003</b>	<b>2,883</b>	
Jinan		Beihu Plot A-6, Tianqiao District	Tianqiao District, Jinan	97	83	97	60.00%
		Beihu West Plot A, Tianqiao District	Tianqiao District, Jinan	555	461	555	60.00%
		Ocean Crown	Huaiyin District, Jinan	103	87	97	66.50%
		Ocean Epoch	Lixia District, Jinan	390	371	181	50.00%
		Ocean Mansion	Huaiyin District, Jinan	228	190	222	54.35%
		Ocean Orient	Licheng District, Jinan	544	422	544	42.00%
		Ocean Precious Land	Licheng District, Jinan	226	172	226	58.82%
		Sino-Ocean Metropolis	Tianqiao District, Jinan	379	255	379	60.31%
		Sky Masion	Shanghe County, Jinan	583	520	434	30.67%
				<b>3,105</b>	<b>2,561</b>	<b>2,735</b>	
Qingdao		Haibohe Plot, Shibei District	Shibei District, Qingdao	102	76	102	10.75%
		Ocean Crown	Fushan New District, Qingdao	125	95	113	59.50%
		Sino-Ocean Harmony	Shibei District, Qingdao	377	270	210	43.00%
		Sino-Ocean Landscape	Jimo District, Qingdao	113	86	113	100.00%
				<b>717</b>	<b>527</b>	<b>538</b>	
Shenyang		Ocean Elite River Prospect	Shenbei New District, Shenyang	400	313	400	60.00%
		Ocean Noble Mansion	Tiexi District, Shenyang	47	32	47	100.00%
				<b>447</b>	<b>345</b>	<b>447</b>	
Changchun		Guantangyuanzhu	Shuangyang District, Changchun	326	255	326	52.15%
Anshan		International Plaza	Tiedong District, Anshan	350	294	166	52.15%
Harbin		Venice Manor	Songbei District, Harbin	181	152	13	52.15%
				<b>20,787</b>	<b>16,353</b>	<b>12,906</b>	

Regions	Cities	Projects	Districts	Approximate total GFA ('000 sq.m.)	Approximate total saleable GFA ('000 sq.m.)	Remaining landbank ('000 sq.m.)	Interest attributable to the Group (%)
Eastern Region	Shanghai	Baoshan Sky Masion	Baoshan District, Shanghai	213	115	213	52.15%
		Dongtan Villa	Chongming District, Shanghai	1,072	672	676	41.03%
		Hongqiao Origin	Qingpu District, Shanghai	75	53	75	60.00%
		Lingang Aegean Place	Pudong New Area, Shanghai	66	–	66	52.15%
		Lingang Sky Masion	Pudong New Area, Shanghai	172	108	172	52.15%
		Ocean Fortune Center	Pudong New Area, Shanghai	59	45	20	100.00%
		Ocean Seasons	Pudong New Area, Shanghai	323	279	55	100.00%
		Yuanbo Hotel Project	Putuo District, Shanghai	54	–	54	23.94%
				<b>2,034</b>	<b>1,272</b>	<b>1,331</b>	
	Suqian	Aegean Place	Sucheng District, Suqian	117	–	117	36.51%
		Shuyang Aegean Place	Shuyang County, Suqian	107	–	107	100.00%
		Shuyang Sky Masion	Shuyang County, Suqian	545	407	545	100.00%
		Sky Masion	Sucheng District, Suqian	484	411	484	36.51%
				<b>1,253</b>	<b>818</b>	<b>1,253</b>	
	Wenzhou	Aegean Place	Longwan District, Wenzhou	82	–	82	100.00%
		Binhai Sky Masion	Longwan District, Wenzhou	488	306	178	100.00%
		Center Mansion	Leqing City, Wenzhou	40	30	40	100.00%
		Harbor Heart	Ouhai District, Wenzhou	87	66	87	84.70%
		Ocean Peninsula No.9	Ouhai District, Wenzhou	276	174	276	26.60%
Plot 11-E-05, Longwan District		Longwan District, Wenzhou	85	60	85	100.00%	
Shan Hai One		Leqing City, Wenzhou	123	100	123	100.00%	
Xingfuli		Lucheng District, Wenzhou	234	168	234	33.90%	
			<b>1,415</b>	<b>904</b>	<b>1,105</b>		
Suzhou	Easy Town	Huqiu District, Suzhou	104	85	17	16.50%	
	Mansion Yue	Wujiang District, Suzhou	150	147	72	70.00%	
	Rocker Park	Huqiu District, Suzhou	240	198	113	30.00%	
	Royal Seasons	Taicang City, Suzhou	105	77	58	34.00%	
	Scenert East	Zhangjiagang City, Suzhou	108	77	108	100.00%	
	Shengze Sky Masion	Wujiang District, Suzhou	262	211	262	49.54%	

Regions	Cities	Projects	Districts	Approximate total GFA ('000 sq.m.)	Approximate total saleable GFA ('000 sq.m.)	Remaining landbank ('000 sq.m.)	Interest attributable to the Group (%)
		Shihu Project	Wuzhong District, Suzhou	49	–	49	100.00%
		Taicang Shaxi Logistics Project I	Taicang City, Suzhou	56	–	56	19.60%
		Taicang Shaxi Logistics Project II	Taicang City, Suzhou	124	–	124	17.84%
		Zhangjiagang Internet Data Center	Zhangjiagang City, Suzhou	24	–	24	75.01%
				<b>1,222</b>	<b>795</b>	<b>883</b>	
Zhenjiang		Central Mansion (Zhenjiang)	Danyang City, Zhenjiang	607	502	607	50.00%
		Danyang Sky Masion	Danyang City, Zhenjiang	110	82	110	52.15%
				<b>717</b>	<b>584</b>	<b>717</b>	
Yangzhou		Grand Canal Milestone	Guangling District, Yangzhou	56	43	56	89.00%
		Home Furniture Mall	Hanjiang District, Yangzhou	81	–	81	52.15%
		Royal Mansion	Guangling District, Yangzhou	63	47	63	100.00%
		Sky Masion	Hanjiang District, Yangzhou	467	348	467	52.15%
				<b>667</b>	<b>438</b>	<b>667</b>	
Wuxi		Life in Park	Xinwu District, Wuxi	196	157	196	15.00%
		One Residence	Xinwu District, Wuxi	211	154	211	10.00%
		Sky Masion	Huishan District, Wuxi	223	172	223	31.29%
		Taihu Milestone	Xinwu District, Wuxi	116	93	4	80.00%
				<b>746</b>	<b>576</b>	<b>634</b>	
Changzhou		Aegean Place	Wujin District, Changzhou	197	–	197	52.15%
		International Plaza	Wujin District, Changzhou	508	374	86	52.15%
				<b>705</b>	<b>374</b>	<b>283</b>	
Nanjing		Ocean Seasons	Lishui District, Nanjing	234	184	38	100.00%
		Sino-Ocean Tanyue Landscape	Liuhe District, Nanjing	54	52	16	100.00%
		The One	Jiangning District, Nanjing	213	153	213	69.80%
				<b>501</b>	<b>389</b>	<b>267</b>	

Regions	Cities	Projects	Districts	Approximate total GFA ('000 sq.m.)	Approximate total saleable GFA ('000 sq.m.)	Remaining landbank ('000 sq.m.)	Interest attributable to the Group (%)
	Nantong	Sky Masion	Chongchuan District, Nantong	270	253	24	26.08%
		Star City	Chongchuan District, Nantong	171	–	171	26.08%
				<b>441</b>	<b>253</b>	<b>195</b>	
	Jinhua	Jinyi Sky Masion	Jinyi New Area, Jinhua	423	387	5	46.94%
		Ocean Mountain Courtyard	Wucheng District, Jinhua	171	124	171	26.60%
				<b>594</b>	<b>511</b>	<b>176</b>	
	Huzhou	Anji Internet Data Center	Anji County, Huzhou	135	–	135	64.30%
	Hangzhou	Canal Business Center Project	Gongshu District, Hangzhou	609	292	10	60.00%
		Jiulongwan Project	West Lake District, Hangzhou	20	–	20	100.00%
		Neo 1	Gongshu District, Hangzhou	43	40	21	50.00%
		Ocean New Masterpiece	Gongshu District, Hangzhou	44	33	44	51.00%
		Xixi Mansion	Yuhang District, Hangzhou	395	285	10	100.00%
				<b>1,111</b>	<b>650</b>	<b>105</b>	
	Huai'an	International Plaza	Qingjiangpu District, Huai'an	319	264	91	22.42%
	Jiaxing	Pinghu Logistics Project	Pinghu City, Jiaxing	72	–	72	19.60%
Ningbo	Sino-Fusion Yuyao Simen Logistics Park	Yuyao City, Ningbo	56	–	56	28.19%	
			<b>11,988</b>	<b>7,828</b>	<b>7,970</b>		
Southern Region	Shenzhen	Lishan Project	Nanshan District, Shenzhen	156	70	156	60.00%
		Longhua District De Ai Industrial Park	Longhua District, Shenzhen	533	282	533	80.00%
		Ocean Express	Longgang District, Shenzhen	556	437	137	84.70%
		Ocean Palace	Nanshan District, Shenzhen	196	82	7	63.25%
		Ocean Seafront Towers	Nanshan District, Shenzhen	115	52	59	60.00%
		Peace Palace	Longhua District, Shenzhen	278	201	278	63.01%
				<b>1,834</b>	<b>1,124</b>	<b>1,170</b>	
	Zhongshan	Blossoms Valley	Shenwan Town, Zhongshan	1,172	1,037	986	75.00%
		Natural Mansion	Xiaolan Town, Zhongshan	76	62	76	51.00%
		Ocean City	Eastern District, Zhongshan	2,083	1,736	94	100.00%
		Ocean Emerald	Nantou Town, Zhongshan	437	412	49	100.00%
		Ocean Longshire	Henglan Town, Zhongshan	96	85	13	100.00%
		Ocean Palace	Southern District, Zhongshan	181	134	181	69.80%



Regions	Cities	Projects	Districts	Approximate total GFA ('000 sq.m.)	Approximate total saleable GFA ('000 sq.m.)	Remaining landbank ('000 sq.m.)	Interest attributable to the Group (%)
		SCity (formerly known as Suixicun 162 Project, Nantou)	Nantou Town, Zhongshan	90	68	90	34.00%
		SCity (formerly known as Suixicun 163 Project, Nantou)	Nantou Town, Zhongshan	34	26	18	34.00%
		Sino-Ocean Landscape	Minzhong Town, Zhongshan	210	159	141	51.00%
		Zhonghui City (formerly known as Suixicun 135 Project, Nantou)	Nantou Town, Zhongshan	43	33	5	34.00%
		Zhonghui City (formerly known as Suixicun 136 Project, Nantou)	Nantou Town, Zhongshan	83	62	6	30.00%
		Zhonghui City (formerly known as Suixicun 137 Project, Nantou)	Nantou Town, Zhongshan	107	102	24	45.00%
				<b>4,612</b>	<b>3,916</b>	<b>1,683</b>	
Guangzhou		East Bay	Zengcheng District, Guangzhou	141	96	112	40.00%
		Elite Palace	Tianhe District, Guangzhou	310	279	41	100.00%
		Hibiscus Villa	Huadu District, Guangzhou	179	87	98	51.00%
		Natural Mansion	Zengcheng District, Guangzhou	76	48	76	100.00%
		Ocean Prospect	Zengcheng District, Guangzhou	133	96	133	100.00%
				<b>839</b>	<b>606</b>	<b>460</b>	
Zhanjiang		Ocean City	Xiashan District, Zhanjiang	612	493	381	67.50%
Jiangmen		Cloud Mansion	Pengjiang District, Jiangmen	176	133	176	51.00%
		Top Mansion	Pengjiang District, Jiangmen	131	101	131	100.00%
				<b>307</b>	<b>234</b>	<b>307</b>	
Zhangzhou		Sea and Star	Longwen District, Zhangzhou	266	210	266	51.00%
		Sino-Ocean Scenery	Zhao'an County, Zhangzhou	81	79	14	70.00%
				<b>347</b>	<b>289</b>	<b>280</b>	
Foshan		Delight River	Sanshui District, Foshan	207	192	48	50.00%
		Elite Palace	Sanshui District, Foshan	259	191	11	65.93%
		Landscape	Shunde District, Foshan	80	63	80	49.00%
		Natural Mansion	Nanhai District, Foshan	140	107	140	50.00%
				<b>686</b>	<b>553</b>	<b>279</b>	
Maoming		Sino-Ocean Landscape	Maonang District, Maoming	299	249	241	51.00%
Xiamen		Ocean Prospect	Tong'an District, Xiamen	199	144	199	100.00%
		Top Mansion	Xiang'an District, Xiamen	75	53	17	50.00%
				<b>274</b>	<b>197</b>	<b>216</b>	

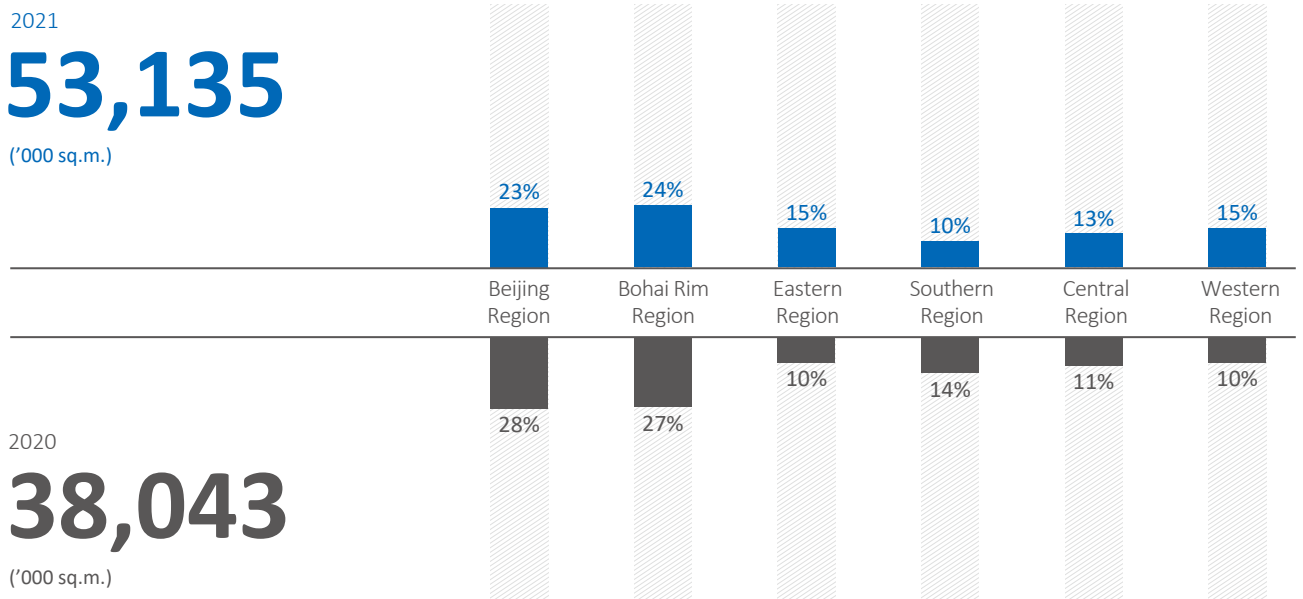
Regions	Cities	Projects	Districts	Approximate total GFA ('000 sq.m.)	Approximate total saleable GFA ('000 sq.m.)	Remaining landbank ('000 sq.m.)	Interest attributable to the Group (%)
	Longyan	Sino-Ocean Landscape	Xinluo District, Longyan	203	160	203	51.00%
	Fuzhou	East Bay	Mawei District, Fuzhou	82	65	2	50.00%
		East Bay Upgrade	Mawei District, Fuzhou	51	42	51	33.50%
		Ocean Tianfu	Cangshan District, Fuzhou	128	97	128	51.00%
		Sino-Ocean Landscape	Mawei District, Fuzhou	89	74	9	55.00%
				<b>350</b>	<b>278</b>	<b>190</b>	
	Sanya	Ocean Hill	Jiyang District, Sanya	177	111	75	100.00%
	Hong Kong	LP6	Tseung Kwan O, Hong Kong	137	136	28	40.00%
		Mt. La Vie	Islands District, Hong Kong	3	3	3	100.00%
		Uptify	Yau Tsim Mong District, Hong Kong	3	3	3	100.00%
				<b>143</b>	<b>142</b>	<b>34</b>	
				<b>10,683</b>	<b>8,352</b>	<b>5,519</b>	
Central Region	Wuhan	Aegean Place	Xinzhou District, Wuhan	62	–	62	26.60%
		Citylane	Hanyang District, Wuhan	450	–	450	70.00%
		Dongxihu Xingou Logistics Project	Dongxihu District, Wuhan	112	–	112	28.19%
		Heart of Hankow	Jiangnan District, Wuhan	1,054	997	246	55.90%
		Huazhong Big Data Industrial Park	Jiangxia District, Wuhan	89	–	89	12.50%
		Oriental World View	Hanyang District, Wuhan	1,917	1,430	962	70.00%
		Sky Masion	Xinzhou District, Wuhan	371	268	15	26.60%
		Yangtze Opus	Jiang'an District, Wuhan	178	80	178	70.00%
		Zhongjiacun Plot, Hanyang District	Hanyang District, Wuhan	322	229	322	51.00%
				<b>4,555</b>	<b>3,004</b>	<b>2,436</b>	
	Changsha	Aegean Place	Yuhua District, Changsha	69	–	69	41.72%
		Sky Masion	Yuhua District, Changsha	878	616	878	41.72%
		Special Mansion	Wangcheng District, Changsha	482	384	482	24.50%
				<b>1,429</b>	<b>1,000</b>	<b>1,429</b>	
	Zhengzhou	Fontaine Polaris	Zhongmu County, Zhengzhou	176	141	176	24.50%
		Glory Mansion	Xinzheng City, Zhengzhou	135	103	135	28.68%
		Grand Apartment	Jinshui District, Zhengzhou	172	133	172	24.50%

Regions	Cities	Projects	Districts	Approximate total GFA ('000 sq.m.)	Approximate total saleable GFA ('000 sq.m.)	Remaining landbank ('000 sq.m.)	Interest attributable to the Group (%)
		Ocean Landscape Courtyard	Yinyang District, Zhengzhou	204	150	204	55.00%
		Ocean Melody	Zhongmu County, Zhengzhou	43	38	15	69.30%
		Ocean Prospect	Xinzheng City, Zhengzhou	169	158	50	38.00%
		Rong Fu	Xinzheng City, Zhengzhou	156	101	156	17.84%
		The Collection	Erqi District, Zhengzhou	182	141	182	80.00%
				<b>1,237</b>	<b>965</b>	<b>1,090</b>	
	Ganzhou	Aegean Place	Nankang District, Ganzhou	144	–	144	53.59%
		Sky Masion	Nankang District, Ganzhou	888	705	778	53.59%
				<b>1,032</b>	<b>705</b>	<b>922</b>	
	Hefei	Hefei Logistics Project, Phase IV	Feidong County, Hefei	66	–	66	64.30%
		Ideal Bourn	Feidong County, Hefei	104	83	104	100.00%
		Ocean Glory	Feidong County, Hefei	197	186	45	100.00%
		Ocean Landscape	Feidong County, Hefei	200	180	59	59.29%
		West Furong Road Plot, Jingkai District	Jingkai District, Hefei	455	279	455	30.00%
				<b>1,022</b>	<b>728</b>	<b>729</b>	
	Nanchang	Aegean Place	Wanli District, Nanchang	124	–	124	52.15%
		Ocean Palace	Wanli District, Nanchang	173	122	110	51.00%
		Sky Masion	Wanli District, Nanchang	175	163	39	52.15%
				<b>472</b>	<b>285</b>	<b>273</b>	
				<b>9,747</b>	<b>6,687</b>	<b>6,879</b>	
Western Region	Chengdu	Ocean Ecological Land	Xindu District, Chengdu	199	127	199	51.00%
		Ocean Luxury City	Qingyang District, Chengdu	122	106	98	24.50%
		Qingbaijiang Internet Data Center, Zone A	Qingbaijiang District, Chengdu	193	–	201	36.51%
		Qingbaijiang Internet Data Center, Zone C	Qingbaijiang District, Chengdu	38	–	87	49.00%
		Sino-Ocean Taikoo Li	Jinjiang District, Chengdu	417	362	126	50.00%
		Wenjiang Internet Data Center	Wenjiang District, Chengdu	54	–	54	24.50%
				<b>1,023</b>	<b>595</b>	<b>765</b>	

Regions	Cities	Projects	Districts	Approximate total GFA ('000 sq.m.)	Approximate total saleable GFA ('000 sq.m.)	Remaining landbank ('000 sq.m.)	Interest attributable to the Group (%)
	Xi'an	Aegean Place	Xincheng District, Xi'an	104	–	104	26.60%
		Emperor Chic	Weiyang District, Xi'an	321	316	321	24.50%
		Fontaine Island	Chanba Ecological District, Xi'an	147	111	147	24.50%
		Ocean Mansion	Weiyang District, Xi'an	558	416	558	42.33%
		Sino-Ocean Jinghe New Town Internet Data Center	Xixian New Area, Xi'an	60	–	60	49.00%
		Sino-Ocean Royal Landscape	Chanba Ecological District, Xi'an	292	208	292	56.00%
		Sky Masion	Xincheng District, Xi'an	462	312	462	26.60%
				<b>1,944</b>	<b>1,363</b>	<b>1,944</b>	
	Guiyang	Sino-Ocean Aristocratic Family	Shuanglong New District, Guiyang	165	135	165	100.00%
		Sino-Ocean Prospect	Yunyan District, Guiyang	100	75	24	89.80%
		Sky Masion	Guanshanhu District, Guiyang	780	565	780	42.24%
		Sky Masion, Retail	Guanshanhu District, Guiyang	89	–	89	42.24%
				<b>1,134</b>	<b>775</b>	<b>1,058</b>	
	Xining	Aegean Place	Haihu New District, Xining	121	–	121	76.55%
		Sky Masion	Chengzhong District, Xining	1,278	1,018	666	41.72%
		Sky Palace	Chengxi District, Xining	311	254	191	76.55%
				<b>1,710</b>	<b>1,272</b>	<b>978</b>	
	Urumqi	Mansion Hills	Saybag District, Urumqi	74	63	74	52.15%
		Royal Mansion	Saybag District, Urumqi	402	293	402	52.15%
		Sky Masion	Saybag District, Urumqi	148	111	148	52.15%
		Sky Palace	Saybag District, Urumqi	85	68	85	52.15%
				<b>709</b>	<b>535</b>	<b>709</b>	

Regions	Cities	Projects	Districts	Approximate total GFA ('000 sq.m.)	Approximate total saleable GFA ('000 sq.m.)	Remaining landbank ('000 sq.m.)	Interest attributable to the Group (%)
	Liuzhou	Aegean Place	Yufeng District, Liuzhou	85	–	85	76.55%
		Glory Mansion	Yufeng District, Liuzhou	357	251	247	76.55%
		Sky Masion	Chengzhong District, Liuzhou	320	255	302	52.15%
				<b>762</b>	<b>506</b>	<b>634</b>	
	Chongqing	Fenghua Melody	Shapingba District, Chongqing	102	71	102	24.50%
		Fontaine Island	Nan'an District, Chongqing	178	132	3	24.50%
		Liangjiang New Town Internet Data Center	Liangjiang New Area, Chongqing	40	–	40	49.00%
		Life In Art Dist	Jiulongpo District, Chongqing	52	37	52	34.00%
		Ocean City	Jiulongpo District, Chongqing	126	125	95	40.00%
		Poetry of Landscape	Shapingba District, Chongqing	166	119	21	100.00%
		Sino-Ocean Garden	Banan District, Chongqing	592	480	192	42.50%
				<b>1,256</b>	<b>964</b>	<b>505</b>	
	Xishuangbanna	Rainforest Resorts	Jinghong City, Xishuangbanna	515	429	412	26.08%
	Kunming	In Galaxy (formerly known as Chenggong Project)	Chenggong District, Kunming	222	218	125	39.80%
		In Galaxy (formerly known as Chenggong Project, Phase II)	Chenggong District, Kunming	99	88	99	39.80%
		Sino-Ocean Esthetics Mansion	Panlong District, Kunming	164	145	59	37.15%
				<b>485</b>	<b>451</b>	<b>283</b>	
	Luzhou	Sky Masion	Jiangyang District, Luzhou	279	207	279	52.15%
	Lanzhou	Sky Masion	Yuzhong County, Lanzhou	397	301	273	31.29%
				<b>10,214</b>	<b>7,398</b>	<b>7,840</b>	
Other Region	Jakarta	Alam Sutera Project	Greater Jakarta, Indonesia	66	57	66	28.00%
	Singapore	Cairnhill 16	Area 9, Singapore	4	4	4	30.00%
				<b>70</b>	<b>61</b>	<b>70</b>	
<b>Total</b>				<b>79,128</b>	<b>57,687</b>	<b>53,135</b>	

The landbank by geographical locations as at 31 December 2021 and 2020 are analyzed below:



### Property investment

Investment properties provide a steady and reliable income and cash flow to the Group in addition to the possible capital gains from appreciation in value. They also help us to diversify our risk from market turbulence in the property development business. In 2021, revenue from property investment decreased by 17% to RMB410 million (2020: RMB494 million), which was mainly due to the implementation of mid to light asset mode for the Group’s investment properties. As at 31 December 2021, the Group held more than 23 operating investment properties. Our investment properties are mainly A-grade office premises, shopping malls, commercial complexes and logistics projects at good locations. The total leasable area amounted to approximately 3,923,000 sq.m. as at 31 December 2021, with office developments about 24%, logistics projects about 48% and others including commercial complexes, car parks and others 28%.

The investment properties of the Group and its joint ventures and associates as at 31 December 2021 are set out as follows:

Projects	Districts	Approximate leasable area (sq.m.)	Office premises (sq.m.)	Retail space (sq.m.)	Logistics projects (sq.m.)	Others (sq.m.)	Occupancy rate (%)	Interest attributable to the Group (%)
Ocean International Center (Beijing)	Chaoyang District, Beijing	103,000	76,000	9,000	–	18,000	92%	100%
Ocean Plaza (Beijing)	Xicheng District, Beijing	30,000	26,000	–	–	4,000	99%	72%
San Francisco Project (USA)	Financial District, San Francisco	7,000	7,000	–	–	–	100%	100%
Other projects		72,000	–	41,000	–	31,000		
Subtotal		212,000	109,000	50,000	–	53,000		
<b>Other</b>								
China Life Financial Center (Beijing)	Chaoyang District, Beijing	111,000	111,000	–	–	–	66%	10%
E-wing Center (Beijing)	Haidian District, Beijing	12,000	12,000	–	–	–	88%	69%
INDIGO (Beijing)	Chaoyang District, Beijing	181,000	52,000	48,000	–	81,000	96%	50%
Ocean International Center, Phase II (Beijing)	Chaoyang District, Beijing	70,000	46,000	13,000	–	11,000	86%	35%
Ocean Office Park (Beijing)	Chaoyang District, Beijing	108,000	81,000	12,000	–	15,000	84%	29%
Ocean Rayzone (Beijing)	Fengtai District, Beijing	119,000	110,000	5,000	–	4,000	34%	21%
Ocean We-life Plaza (Beijing)	Chaoyang District, Beijing	31,000	–	31,000	–	–	98%	64%
Eco-city Aegean Place (Tianjin)	Binhai New Area, Tianjin	41,000	–	41,000	–	–	89%	52%
Hedong Aegean Place (Tianjin)	Hedong District, Tianjin	94,000	–	94,000	–	–	99%	34%
Ocean International Center (Tianjin)	Hedong District, Tianjin	53,000	53,000	–	–	–	77%	69%
Ocean We-life (Tianjin)	Binhai New Area, Tianjin	28,000	–	28,000	–	–	95%	70%
Ocean We-life Plaza (Tianjin)	Hedong District, Tianjin	42,000	–	42,000	–	–	95%	64%
Aegean Place (Jinan)	Shanghe County, Jinan	35,000	–	35,000	–	–	93%	31%
H88 Yuehong Plaza (Shanghai)	Xuhui District, Shanghai	56,000	56,000	–	–	–	90%	24%
Haixing Plaza (Shanghai)	Huangpu District, Shanghai	14,000	10,000	–	–	4,000	75%	37%
Sino-Ocean Tower (Shanghai)	Huangpu District, Shanghai	64,000	46,000	4,000	–	14,000	89%	15%
Aegean Place (Suzhou)	Wujiang District, Suzhou	49,000	–	49,000	–	–	90%	26%
Grand Canal Place (Hangzhou)	Gongshu District, Hangzhou	69,000	–	68,000	–	1,000	97%	60%
Aegean Place (Fuzhou)	Cangshan District, Fuzhou	92,000	–	92,000	–	–	99%	31%
Sino-Ocean Taikoo Li (Chengdu)	Jinjiang District, Chengdu	174,000	–	84,000	–	90,000	96%	50%
Other projects		2,268,000	254,000	81,000	1,868,000	65,000		
Subtotal		3,711,000	831,000	727,000	1,868,000	285,000		
<b>Total</b>		<b>3,923,000</b>	<b>940,000</b>	<b>777,000</b>	<b>1,868,000</b>	<b>338,000</b>		

## Commercial properties in progress

The Group has built a sound foundation for office complex operation and management since the development of investment property development and operation. The Group has cultivated strengths in commercial and logistics project positioning, planning and design, development and construction, attracting investment and project operation. To date, the Group has several commercial property projects in progress across China, including grade A offices, high-end shopping centers, five-star hotels and high quality logistics projects.

In addition, the Group has commercial property resources pending for development and operation by stages. These include offices of Plot Z6 in Beijing CBD, Grand Canal Place (Beijing), INDIGO II (Beijing), 16 Aegean Places in the prime locations in the PRC and etc. It will boost a strong portfolio of cross regional and diversified products. Meanwhile, the Group has deepened the expansion in the logistics real estate and internet data center, which will provide a sound foundation for favourable investment yield and profitability level in the future.

## Property Management and related services

Our key subsidiary, Sino-Ocean Service Holding Limited (Stock Code: 06677. HK) (“Sino-Ocean Service”), is a comprehensive service provider for customers and cover the entire property management value chain. We always adhere to the customer-oriented and service-first philosophy, and are committed to creating a high-quality life for customers with excellent service capabilities.

For the year ended 31 December 2021, the Group’s revenue from property management and related services recorded RMB2,530 million, an increase of 44% from RMB1,763 million in 2020, which was mainly due to the synergy with the principal business and improvement in operating capacity.

As of 31 December 2021, Sino-Ocean Service’s total contracted GFA of property management services reached 105.9 million sq.m.\*, covering 78 cities\* across 24 provinces, autonomous regions and municipalities\* in China, total GFA under management reached 73.5 million sq.m.\* and 360 properties\* were under our management, including 239 residential communities\*, 41 commercial properties\* and 80 other properties\*.

Our property management services cover a wide range of property types, including residential communities, commercial properties (such as shopping malls and office buildings) and public and other properties (such as hospitals, schools, government buildings and public service facilities). Sino-Ocean Service also provides commercial operational services to shopping malls and office buildings, including pre-opening management services and operational management services.

In addition, we are also dedicated to providing a variety of community value-added services to property owners and residents of the properties under our management, including community asset value-added services, community living services and property brokerage services. In 2021, the value-added services to non-property owners further expanded, covering pre-delivery services, consultancy services and property engineering services to property developers and other property management companies.

\* Including for those provided to the Group and its affiliates







## OTHER INFORMATION

### Key risk factors and uncertainties

The following lists out the key risks and uncertainties facing the Group. It is a non-exhaustive list and there may be other risks and uncertainties further to the key risk areas outlined below.

#### Risks pertaining to the property market and operation

The Group's businesses and prospects are largely dependent on the performance of the property market in mainland China. The property market in mainland China is affected by a number of factors, including changes in social, political, economic and legal environment, as well as changes in the government's financial, economic, monetary, industrial and environmental conservation policies. The Group is also susceptible to changes in economic conditions, consumer confidence, consumption spending, and changes in consumption preferences.

The Group's operations are subject to a number of risk factors distinctive to property development, property investment, and property-related businesses. Default on the part of our buyers, tenants and strategic business partners, inadequacies or failures of internal processes, people and systems or other external factors may have various levels of negative impact on the results of operations.

The Group continues to monitor the above factors for their impact on our significant investments and financial performance of the Group in future and works together with those stakeholders to formulate actions to deliver sustainable development of economic, social and environmental values.

### **Risk of exposure to interest rate fluctuations and related hedging**

Certain of the Group's borrowings are with floating interest rates. The weighted average interest rate of the Group for 2021 was 4.96%, which decreased by 14 basis points as compared with that for 2020. The Group has implemented certain interest rate management which includes, among others, close monitoring of interest rate movements and acquiring certain interest rate swap hedging instruments.

### **Risk of exposure to exchange rate fluctuations and related hedging**

As at 31 December 2021, approximately 42% of the Group's total borrowings were denominated in USD and HKD. As a result, the Group had a net currency exposure to fluctuation in foreign exchange rates. As non-Renminbi currency borrowings are subject to fluctuations of exchange rates, the Group is careful in having borrowings in non-Renminbi currencies and has entered into certain forward contracts so as to hedge against the potential exchange loss in future years. The Group has never engaged in the dealing of any financial derivative instruments for speculative purpose. In view of the potential RMB exchange rate fluctuations, the Group will continuously consider appropriate measures including matching non-Renminbi borrowings with corresponding non-Renminbi assets and arranging appropriate level of hedging instruments.

## **EMPLOYEES AND HUMAN RESOURCES**

As at 31 December 2021, the Group had 14,890 employees (31 December 2020: 13,201 employees). The increase in the number of employees was mainly due to the service-related businesses expansion, such as property management services, senior living services, hotel services and etc.

At the same time, the Group also focused on improving operational efficiency and strictly controlled various costs during the year. Together with the above measures, increase in number of employees, the cancellation of the relief policy on contributions of social insurance and reduction in amortization from share options granted, the Group's staff cost in 2021 was increased by 14% to approximately RMB2,982 million (2020: RMB2,617 million). The Group will always keep pace with the times and strive to improve human resource efficiency and corporate governance capabilities, and provide different training and development programmes to achieve the effect of attracting, motivating and retaining talented staff, so that these talented staff can ultimately bring in higher return to our shareholders and investors.

# MAJOR AWARDS AND RECOGNITIONS

**Award received:** China Construction Engineering Luban Award (National Quality Project) — China Life Financial Center (Beijing)  
**Award time:** March 2021

**Award received:** 2021 Top 10 Chinese Real Estate Development Enterprises with Steady Operation  
**Award time:** March 2021

**Award received:** 2021 Top 10 Responsible Real Estate Development Enterprises in China  
**Award time:** March 2021

**Award received:** Top 10 Outstanding Practitioners of Urban Renewal in 2021  
**Award time:** June 2021

**Award received:** 2021 Carbon Neutral Pioneer Award  
**Award time:** June 2021

**Award received:** 202nd in Fortune China 500 in 2021 (12 consecutive years on the list)  
**Award time:** July 2021

**Award received:** China Corporate Social Responsibility List (2020) No. 6 in the industry and No. 1 in real estate  
**Award time:** July 2021

**Award received:** 2021 China Urban Renewal Brand Value Enterprise  
**Award time:** July 2021

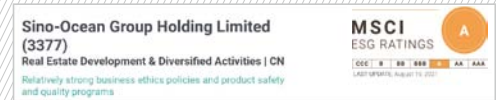
**Award received:** China Real Estate Enterprise Awards 2021  
**Award time:** July 2021

**Award received:** 2021 Real Estate Comprehensive Strength Enterprise  
**Award time:** September 2021



**Award received:** MSCI-ESG Rating A (the highest among domestic real estate companies)

**Award time:** August 2021



**Award received:** Hang Seng Corporate Sustainability Benchmark Index Constituent

**Award time:** August 2021



**Award received:** 2021 Top 10 Brand Value of Chinese Real Estate Companies

**Award time:** September 2021



**Award received:** 2021 Excellent Brand of China's Real Estate Product Power

**Award time:** September 2021

**Award received:** Annual Value Real Estate Enterprise

**Award time:** October 2021



**Award received:** GRESB 5-star

**Award time:** October 2021

**Award received:** Listed Company of the Year 2021

**Award time:** November 2021

**Award received:** 2021 Top 10 Craftmanship of Chinese Real Estate Enterprises

**Award time:** December 2021



**Award received:** 2021 Best Employers in China's Real Estate

**Award time:** December 2021

**Award received:** Listed Company Excellence Awards 2021

**Award time:** December 2021

## INVESTOR RELATIONS

Sino-Ocean Group Holding Limited (“Sino-Ocean Group” or the “Company”) and its subsidiaries (collectively known as the “Group” or “we”) adhere to the best practice in information disclosure in terms of accuracy, transparency and consistency. We are committed to maintaining highly honest, sincere and effective communication with the financial community and other stakeholders. Our goals are to deepen investors’ understanding and approval of the Company’s strategies, to raise the quality of internal management and to maximize the Company’s value.

### PROMOTING COMPANY VALUE THROUGH MEANINGFUL COMMUNICATION

In 2021, as real estate in China geared towards stability in land price, property price and market outlook, the positioning of ‘properties for accommodation not speculation’ remained resolute. Policy-wise the Central Government and local authorities collaborated took into consideration the property market conditions to render city-specific housing policies even more specific. Market sentiments hovered around the wait-and-see mood while awaiting announcement of details regarding the enlarged pilot for property tax. As regards the land market the ‘two concentrations’ land supply policy managed to cool the market in an orderly manner. Prompted by the frequent credit issues and prudent financial management, property enterprises worked hard to de-leverage, decelerate growth and encourage sales to speed up cash collection. In 2022, the industry is expected to enter a period of sluggish growth, a continued cautious approach in land acquisition and further differentiation among cities. As the policies produce effect and enterprises’ credit improves, the industry should enjoy stable growth and boost market confidence.

In light of the pandemic, the uncertainties of the economic environment and the changes in the industry, we were agile in response and maintained continuous communication with our investors. In 2021, the Group continued to focus on the principal business of residential development and achieved quality growth. Driving forces for non-residential businesses were actively probed to encourage growth. The Group continued to enjoy a solid financial position and our fund security was widely recognized by both domestic and offshore rating agencies as well as investors. In 2022, the Group will adhere to intensive cultivation in pursuit of quality, stable and sustainable development. We will also focus on residential development and continue to streamline management.



The Group remained connected with the capital market. In 2021, in light of continued tightening of the financing environment, frequent credit issues and continued cooling of the market in the second half of the year, we shared our views in a timely manner on the overall market, the impact of the policies on the industry and the Group, as well as informed investors of our various response measures and strategic planning. These active communication efforts boosted the confidence of the capital market and gained their recognition and praises. At the same time, our on-line live results announcement, video-conferences and conference-calls with analysts and investors were rewarded with very positive feedback. These communication channels served to reinforce understanding and trust between the Group and the capital market. Furthermore, the Group continued to generate opportunities to interact with analysts and investors individually. On the one hand, we participated in securities firms' investors activities and kept a continuous dialogue. On the other hand, we actively kept the capital market posted on the Group's major capital events and financing situation.

Through various communication formats and channels, we were able to foster a deeper understanding and appreciation of the Group's progress, business policies and strategic development among fund managers, institutional and individual investors, analysts and other interested parties. Meanwhile our management also gained better knowledge of the expectations and demands of the capital market on the Group. We will seriously consider and put into practice all constructive suggestions.

## ENSURING FAIR DISCLOSURE AND MAINTAINING TRANSPARENCY

In 2021, we maintained our high standards of information disclosure to ensure the timely dissemination of relevant corporate information via our official website and other channels. In addition, we published our monthly unaudited operating statistics on the websites of The Stock Exchange of Hong Kong Limited and the Company and investors groups to boost transparency and to ensure proper and fair access to relevant data for all parties in the capital market.

In 2021, we enjoyed coverage from 12 securities firms, including Citi, BofA Securities, Morgan Stanley, Credit Suisse and CICC.

## LISTENING ATTENTIVELY AND RECEPTIVELY FROM A WIDE SPECTRUM

We listened carefully to our shareholders' concerns and addressed them efficiently. In May 2021, the Group held the Annual General Meeting, and Extraordinary General Meetings in March and December. As always, after each meeting management representatives reserved time for individual shareholders to voice their opinions and concerns, ensuring all parties present were given opportunity to discuss the key issues with our representatives.

We will continue with our efforts to gain more coverage and obtain more recommendations from securities firms, with the goal of promoting investors' approval, confidence and loyalty, as well as protecting their interests. We are grateful to all stakeholders for their remarkable support. If you have any questions or comments with regards to our work, please contact us at [ir@sinooceangroup.com](mailto:ir@sinooceangroup.com). We promise to provide answers to the extent permitted by applicable laws, regulations and the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules").

### 2021 Investor Relation Activities

March	May	June	August	October	November
2020 Annual Results Conference	Bank of America 2021 Asia Pacific Finance, Real Estate Equity & Credit Conference Shenwan Hongyuan 2021 Commercial Real Estate High-end Forum Conference	HSBC 5th Annual Asian Credit Conference Citi Asia Pacific Real Estate Conference 2021	2021 Interim Results Announcement	Bank of America 2021 Asian Credit Conference	Citi China Investment Summit 2021

# SUSTAINABILITY REPORT



As a practitioner of the Building • Health concept, Sino-Ocean Group Holding Limited (“Sino-Ocean Group” or the “Company”) and its subsidiaries (together referred to as the “Group” or “We”) strive to achieve operational health, healthy products and services, environmental health, employee health and healthy community by upholding the principle of jointly promoting the sustainable development of people, buildings, the environment and society in collaboration with stakeholders, following the guidance of the United Nations 2030 Sustainable Development Goals (SDGs), and shouldering the responsibility of creating value for its stakeholders. We promote the sustainable and healthy development of the Company by undertaking our responsibilities.

On 20 April 2021, we issued Working Together and Sharing Health — Sustainable Development Report 2020 of Sino-Ocean Group, which, in addition to receiving a 5-star rating from the Chinese Academy of Social Sciences for the sixth consecutive year, enabled the Company to receive high recognition from rating institutions in the capital market, including the fourth consecutive upgrade of MSCI ESG rating to A in 2021; the highest 5-star rating from Global Real Estate Sustainability Benchmark, ranking second globally and first in East Asia in the residential property developer category, and public disclosure rating of the highest level-A level. In addition, Sino-Ocean Group’s ESG risk rating was lowered to a rating of low risk by Sustainalytics in the year, and its shares remained as one of the constituents of Hang Seng Corporate Sustainability Benchmark Index, consistently demonstrating outstanding performance in the area of sustainable development.

## PRODUCING QUALITY PRODUCTS WITH ARTISTRY FOR BUILDING HEALTH

Sino-Ocean Group continued to practice the concept of Building • Health and strived to create a healthy and captive environment by engaging everyone with a focus on user needs. In 2021, the Sino-Ocean Healthy Building System developed by Sino-Ocean Group with independent intellectual property rights was upgraded again with improvements in five dimensions — healthy indoor environment, healthy building, healthy outdoor environment, healthy site selection, and healthy community culture. As at the end of 2021, the Sino-Ocean Healthy Building System had been applied to more than 130 projects in 45 cities across China, covering an area of approximately 22 million sq.m. Sino-Ocean Group had a total of 28 WELL-registered projects, of which 12 had received WELL certification, making it the enterprise with the largest number and area of WELL-certified projects in China.

Sino-Ocean Group upholds a user-oriented approach and pursues quality through fine management and artistry. This year, in order to further demonstrate the achievements in Building • Health, a number of projects including Ocean Prospect (Guangzhou), Harbour Heart (Wenzhou) and Harmony Mansion (Tianjin) successively implemented the Sino-Ocean Healthy Future Factory initiative to achieve transparency in processes, materials, procedures, standards and management, presenting the details of the house construction and decoration process to customers from processes to material selection. In addition, China Life Financial Centre, jointly developed by China Life Insurance Co., Ltd. and Sino-Ocean Group and built by Sino-Ocean Group, won the China Construction Engineering Luban Award (National Quality Project). With intensive efforts in improving quality, Sino-Ocean Group received user recognition and multiple awards from authoritative institutions, including the titles of 2021 Top 10 Craftsmanship of Chinese Real Estate Enterprises and Top 10 Healthy Building Products of China in 2021.

## OFFERING CONSIDERATE CARE FOR HEALTHY SERVICES

Sino-Ocean Group has established a complete customer relationship management system to provide users with quality, efficient, considerate and healthy services in product delivery, complaint handling, house maintenance, hosting of community activities, value-added services, etc. In 2021, Sino-Ocean Group put into practice its user-oriented principle and focused on customer service, advance whole-process customer risk control, development of a property service and customer information system, and construction of a 400 customer service platform based on customer needs to improve service capabilities and product quality, so as to achieve sustainable development. The customer satisfaction of Sino-Ocean Group has been on the rise for the past five years. In 2021, the customer satisfaction score of the Group was 87 points, evidently higher than that of the previous year and exceeding the overall level of the industry.

In addition, we have established the Ocean Family platform to provide an open, equal and free one-stop membership service platform for our home owners, customers and other members in society based on the principle of “Joint Growth and Happy Company”, thereby delivering online customer services and improving the service experience of home owners. This platform is dedicated to creating more considerate, intelligent and tailored services.

## CONCERTED AND LONG-TERM EFFORTS FOR ENVIRONMENTAL HEALTH

In order to follow the Paris Agreement and China’s goal of achieving carbon peak by 2030 and carbon neutrality by 2060, in April 2021, the Group announced the goal to become a net-zero emission real estate enterprise by 2050. Sino-Ocean Group believes that green building is the most important way to achieve carbon neutrality in real estate. Accordingly, we vigorously apply and promote





passive building, prefabricated building and sponge city technologies, in an effort to achieve low carbon in the whole life cycle of buildings. This year, we earned a series of accolades and recognitions, including Top 10 Chinese Green Real Estate Enterprises of 2021 in Operating Indicators.

In addition, Sino-Ocean Group has established a green finance framework to use green finance tools to facilitate the development of green buildings and address the challenges of climate change. In 2021, the Group issued offshore guaranteed green notes for the first time. Up to the end of February 2022, the total amount of such notes issued had reached US\$920 million.

For its long-term development, Sino-Ocean Group formally promoted the establishment of the “Building • Health 2030” alliance to work with relevant government agencies, industry associations, international institutions, and upstream and downstream partners in the value chain to help the industry cope with climate change and promote low-carbon development of the industry. On 22 April 2021, Sino-Ocean Group made arrangements for and held the First Summit Cum Inauguration Ceremony of “Building • Health 2030” with the theme of “Working Together to Achieve Better Cities” to jointly promote the development of green supply chain in the real estate industry. More than 200 upstream and downstream supply chain partners attended the event.

## EMPLOYEE HEALTH WITH HEART-WARMING SERVICES

Sino-Ocean’s health disposition is also incorporated into institutional human resources structure and healthy workplace development. Sino-Ocean Group always attaches great importance to the protection of employees’ rights and interests. In 2021, the Collective Contract of Sino-ocean Holding Group (China) Limited as an Enterprise Group was officially signed to establish a regular mechanism for protecting the rights and interests of employees and the benefits of corporate development, thus forming an employment relations and rights protection system with Sino-Ocean characteristics to further safeguard the legitimate rights and interests of employees. Moreover, Sino-Ocean Group cares about the physical and mental health of employees. In order to create a healthy living experience for its employees, since April 2021, the Group has launched a series of activities with the theme of Green Health Campaign to create a privileged health service experience with a focus on fitness exercises, healthy diet and healthcare. By virtue of its excellent institutional management capabilities, well-established personnel training system and healthy workplace, Sino-Ocean Group received distinguished accolades including the 2021 Human Resource Management Excellence Award and 2021 Best Employers in China’s Real Estate.

## HEALTHY SOCIETY WITH LOVE AND CHARITY

Sino-Ocean Group performs its social responsibility through the Sino-Ocean Charity Foundation (“Sino-Ocean Charity” or the “Foundation”). While creating healthy products, Sino-Ocean Group proactively performs social responsibility and undertakes its obligations as a corporate citizen with a focus on education and environmental protection. Over the past 13 years, the Foundation has developed five charity IPs, namely Little Partner Education Sponsorship Scheme, Young Citizen Innovative Public Welfare Campaign, Sino-Ocean “Sea Explorer” National College Student Social Practice Award, China Backbone Health Care Plan, and Sino-Ocean Health (Environmental Protection) Charity Program, with a view to reducing inequality and promoting sustainable social development. Up to the end of 2021, Sino-Ocean Charity had donated over RMB220 million in total together with its charity partners, with over 520,000 beneficiaries in more than 150 cities across China.

In 2021, to keep up with the trends of the times including carbon neutrality, rural revival and urban renewal, we carried out a series of activities to help build a green and healthy society in the principles of “Micro-philanthropic, inclusive and sustainable”, including



the Ocean Marathon, “Building Health Future” architectural design competition for college students with the theme of Zero Carbon Building, Rural Revival business strategy competition based on Damao Village of Sanya, healthy transformation of old communities under “Greener old community, healthier life” project and Zero Carbon for a Green Future under the “Young Citizens” Innovation Charity Project.

## METICULOUS DEEP PENETRATION FOR OPERATIONAL HEALTH

Facing the severe challenges of the market, Sino-Ocean Group adhered to the bottom line of compliance and maintained sound operations. In 2021, the Group focused on its strategy and principal business, insisted on fine management, and continued to consolidate the “4+8” operation and management system focused on projects and business operations. The Group improved the capabilities of its principal business, maintained its international investment grade rating, stayed healthy in terms of the three red lines, enhanced its ability to resist market risks, and moved forward steadily amid changes and challenges. Thanks to its good business performance and consistently high credit standing, Sino-Ocean Group won the titles of Top 10 China Real Estate Developers of 2021 in Sound Operations and Top 10 China Real Estate Developers of 2021 in Responsible Real Estate.

In 2021, the Group steadily implemented its sustainability strategy and achieved fruitful results in five strategic pillars — corporate governance, products and services, the environment, employees, community and society. This year, we also updated the Sustainable Development Policy of Sino-Ocean Group to further regulate sustainable development, and continued to work with stakeholders to achieve sustainable value creation.

Health deposition has become the cornerstone of Sino-Ocean Group for sustainable value creation. The journey towards health is long and arduous, but we will keep marching forward. Sino-Ocean will firmly put into practice the concept of Building • Health and work with stakeholders to move forward on the right track, with a view to reaching one haven after another leading to Building • Health.

The Group believes that sustainable development is crucial to the development of the enterprise, and actively put into practice the sustainable development philosophy in every aspect of its business. The Group will issue a separate Sustainable Development Report 2021 in accordance with the Environmental, Social and Governance Reporting Guide as specified in Appendix 27 of the Listing Rules. The Sustainable Development Report 2021 will be published on the website of The Stock Exchange of Hong Kong Limited ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company’s website ([www.sinooceangroup.com](http://www.sinooceangroup.com)) within the time limit stipulated by the Listing Rules.



# BIOGRAPHIES OF DIRECTORS AND SENIOR MANAGEMENT

The biographies of Directors of Sino-Ocean Group Holding Limited (the “Company”) as of 28 March 2022, being the latest practicable date prior to the issue of this annual report, are as follows:



**Executive Director**  
Mr. Li Ming (李明)

Mr. LI Ming (李明), aged 58, is the Chairman of the Board, an Executive Director, the Chief Executive Officer, Chairman of the Nomination Committee and Chairman of the Strategic and Investment Committee of the Board of the Company. Mr. LI joined the Company as a general manager in July 1997 and became the Chief Executive Officer in August 2006 before serving as the Chairman of the Board since March 2010. He is a director of certain subsidiaries and joint ventures of the Company. Mr. LI was a non-executive director, honorary chairman of the board and chairman of the nomination committee of Gemini Investments (Holdings) Limited, a company listed on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”). Mr. LI has extensive experience in corporate governance, property development and investment and management of listed companies. Mr. LI graduated from Jilin University of Technology (now known as “Jilin University”) and obtained a bachelor’s degree of Engineering in 1985, graduated from the Graduate School of Chinese Academy of Social Sciences in 1996, and graduated from the China Europe International Business School and obtained a master’s degree in Business Administration in 1998. Mr. LI is currently a member of the 13th National Committee of the Chinese People’s Political Consultative Conference, the member of the 6th election committee in Hong Kong Special Administrative Region, the honorary vice-president of the China Real Estate Association a Chartered Builder of The Chartered Institute of Building, UK and also a senior engineer. Mr. LI was a member of the 10th and 11th Beijing Municipal Committees of the Chinese People’s Political Consultative Conference and deputy to the 13th, 14th and 15th People’s Congress of Chaoyang District of Beijing. He was an advisory expert of the Ministry of Housing and Urban-Rural Development at real estate market regulation.



**Executive Director**  
Mr. WANG Honghui (王洪輝)

Mr. WANG Honghui (王洪輝), aged 42, is an Executive Director, a member of the Strategic and Investment Committee of the Board, the Executive President of the Company. He is also a director of certain subsidiaries and associated companies of the Company. Mr. WANG joined the Company in July 2005 and had served as the investment head for the Beijing region, general manager of the secretarial administration department, general manager of the CEO management centre and general manager of capital operation department of the Company. Mr. WANG was a non-executive director as well as a member of the nomination committee and strategic investment committee of Beijing Capital Grand Limited, a company listed on the Stock Exchange. Mr. WANG has extensive experience in real estate investment, equity investment and capital operation. Mr. WANG graduated from Renmin University of China and obtained a bachelor’s degree in Real Estate Operation and Management in 2002 and graduated from the Chinese Academy of Social Sciences and obtained a master’s degree in Regional Economics in 2004. Mr. WANG is the vice president of the China Real Estate Association, a senior economist, specialises in real estate economy, and a registered real estate appraiser in China.



**Executive Director**  
Mr. CUI Hongjie (崔洪杰)

Mr. CUI Hongjie (崔洪杰), aged 49, is an Executive Director, the Executive President and also the general manager of the product construction centre of the Company. Mr. CUI joined the Company in August 1996 and has served as general manager of costing and engineering department, general manager of technology and cost department, assistant to CEO and vice president of the Company. Mr. CUI has been the joint chairman, a non-executive director and a member of each of the audit committee and nomination committee of Sino-Ocean Service Holding Limited, a subsidiary of the Company listed on the Stock Exchange. He is also a director of certain subsidiaries of the Company. Mr. CUI has extensive experience in operation and development of real estate, product creation and management. Mr. CUI graduated from Beijing University of Technology and obtained a bachelor’s degree in Engineering in 1996, and graduated from Beijing University of Technology and obtained a master’s degree in Engineering in 2001. Mr. CUI is a member of the Royal Institution of Chartered Surveyors, a national registered first-class constructor and a senior engineer.



**Non-Executive Director**  
Ms. HUANG Xiumei (黃秀美)

Ms. HUANG Xiumei (黃秀美), aged 54, is a Non-Executive Director of the Company and a member of the Audit Committee of the Board. Ms. HUANG joined the Board in March 2021. Ms. HUANG has been appointed as an executive director of China Life Insurance Company Limited (“China Life”), a company listed on The New York Stock Exchange (the “New York Stock Exchange”), the Stock Exchange and The Shanghai Stock Exchange (the “Shanghai Stock Exchange”), on 1 July 2021. Ms. HUANG also has been the vice president and the person in charge of finance of China Life since May 2020. From 2016 to 2020, she was the vice president, the board secretary and the person in charge of finance of China Life Pension Company Limited. From 2014 to 2016, she served as the financial controller and the general manager of the financial management department of China Life. From 2005 to 2014, Ms. HUANG held various positions at China Life’s Fujian branch, including the assistant to the general manager, the deputy general manager, the branch head, the deputy general manager (responsible for daily operations) and the general manager. From 1999 to 2005, she served as the deputy division chief of the planning and finance division, the manager of the planning and finance department and the manager of the finance department of China Life’s Fujian branch. During the period from 2004 to 2005, she concurrently served as the deputy general manager of China Life’s Fuzhou branch. Ms. HUANG graduated from Fuzhou University, majoring in Accounting with a bachelor’s degree. Ms. HUANG is a senior accountant. Ms. HUANG is nominated by China Life, a substantial shareholder of the Company.



**Non-Executive Director**  
Mr. ZHAO Peng (趙鵬)

Mr. ZHAO Peng (趙鵬), aged 48, is a non-executive Director of the Company and a member of the Audit Committee of the Board. Mr. ZHAO joined the Board in July 2021. Mr. ZHAO is currently an assistant general manager and board secretary of Dajia Insurance Group Co., Ltd.\* (大家保險集團有限責任公司) (“Dajia Insurance Group”), a director of Dajia Life Insurance Co., Ltd.\* (大家人壽保險股份有限公司) (“Dajia Life Insurance”). Mr. ZHAO has been appointed as a non-executive director of China Minsheng Banking Corp., Ltd., a company listed on the Stock Exchange and the Shanghai Stock Exchange, since June 2021 and is currently a vice chairman of Financial Street Holdings Co., Ltd., a company listed on The Shenzhen Stock Exchange (the “Shenzhen Stock Exchange”), since August 2018. Mr. ZHAO was a director of Beijing Tongrentang Co., Ltd., a company listed on the Shanghai Stock Exchange. Mr. ZHAO has extensive experience in insurance, banking and legal. Mr. ZHAO had previously served as a deputy division director then the division director of the Development and Reform Department of the former China Insurance Regulatory Commission, as well as a member of the team designated by the China Banking and Insurance Regulatory Commission to take over Anbang Insurance Group. Mr. ZHAO graduated from China University of Political Science and Law and obtained his doctorate in Economic Law in 2014. Mr. ZHAO is an economist. Mr. ZHAO is nominated by Dajia Life Insurance, a substantial shareholder of the Company.



**Non-Executive Director**  
Mr. HOU Jun (侯俊)

Mr. HOU Jun (侯俊), aged 44, is a Non-Executive Director of the Company and a member of the Strategic and Investment Committee of the Board. Mr. HOU joined the Board in April 2020. Mr. HOU is currently the deputy general manager of the investment management department of China Life Insurance (Group) Company (“China Life Insurance Group”). Mr. HOU had served in various departments of China Life Insurance Group including finance department, asset management department and investment management department. Mr. HOU is currently a non-executive director of Town Health International Medical Group Limited, a company listed on the Stock Exchange. Mr. HOU graduated from Shanxi University of Finance and Economics in July 2000, majoring in Investment Economics with a bachelor’s degree in Economics, and graduated from Central University of Finance and Economics in June 2004, majoring in Finance with a master’s degree in Economics. Mr. HOU is nominated by China Life, a substantial shareholder of the Company.



**Non-Executive Director**  
Mr. CHEN Ziyang (陳子揚)

Mr. CHEN Ziyang (陳子揚), aged 45, is a non-executive Director of the Company and a member of the Strategic and Investment Committee of the Board. Mr. CHEN joined the Board in July 2021. Mr. CHEN is currently chief investment officer and general manager of the investment management department of Dajia Insurance Group. He is also an expert consultant of the Expert Consultation Committee on Solvency Regulation under the China Banking and Insurance Regulatory Commission, an expert on the Core Talent Experts' Team for Assets and Liabilities Management under the Insurance Association of China, a member of the Assets and Liabilities Management Specialist Committee under the Insurance Asset Management Association of China. He has extensive experience in investment management and the management of assets and liabilities. Mr. CHEN had previously served as the general manager of the Research and Allocation Department, general manager of the Accounts and Entrusted Management Department, deputy general manager of the Asset Allocation Department and deputy general manager of the Asset Management Department under the Asset Management Centre of China Pacific Life Insurance Co., Ltd.\* (中國太平洋人壽保險股份有限公司). Mr. CHEN graduated from Shanghai University of Finance and Economics and obtained a master's degree in Finance in 2003. Mr. CHEN is a CFA charterholder. Mr. CHEN is nominated by Dajia Life Insurance, a substantial shareholder of the Company.



**Non-Executive Director**  
Mr. ZHAN Zhong (詹忠)

Mr. ZHAN Zhong (詹忠), aged 53, is a non-executive Director of the Company. Mr. ZHAN joined the Board in September 2021. Mr. ZHAN has been appointed the vice president of China Life since July 2019. He served as the marketing director of China Life from 2017 to 2019 and a supervisor of China Life from 2015 to 2017. Mr. ZHAN also served as the general manager of the Individual Insurance Division of China Life from 2014 to 2017 and the deputy general manager (responsible for daily operations) and the general manager of China Life's Qinghai Branch from 2013 to 2014. From 2009 to 2013, he successively served as the deputy general manager and the general manager of the Individual Insurance Division of China Life. From 2005 to 2009, he successively served as the general manager of the Individual Insurance Division of China Life's Guangdong Branch and an assistant to the general manager of China Life's Guangdong Branch. Prior to 2005, he had successively served as the director of the Marketing Department of the Chengdu High-tech Sub-branch of Zhongbao Life Insurance Company\* (中保人壽保險有限公司), an assistant to the manager and the manager of the Marketing Department of the Chengdu Branch, and the deputy general manager of the Chengdu Branch of Taikang Life Insurance Company\* (泰康人壽保險公司). Mr. ZHAN graduated from Kunming Institute of Technology in July 1989, majoring in industrial electric automation with a bachelor's degree in Engineering. Mr. ZHAN is nominated by China Life, a substantial shareholder of the Company.



**Independent Non-Executive Director**

Mr. HAN Xiaojing (韓小京)

Mr. HAN Xiaojing (韓小京), aged 67, is an Independent Non-Executive Director of the Company, the Chairman of the Remuneration Committee and a member of the Nomination Committee of the Board. Mr. HAN joined the Board in June 2007. Mr. HAN is the founding partner of the Commerce & Finance Law Offices. He has over 30 years' experience in the practice of corporate and securities laws in China, especially in the restructuring of large scale state-owned enterprises and private companies and offshore listing of Chinese companies. Mr. HAN has been an independent non-executive director of Angelalign Technology Inc., a company listed on the Stock Exchange, since May 2021. Mr. HAN is currently an independent non-executive director of each of Far East Horizon Limited and Vital Innovations Holdings Limited, companies listed on the Stock Exchange, and has been a supervisor of Ping An Bank Co., Ltd. ("Ping An"), a company listed on the Shenzhen Stock Exchange. Mr. HAN was an independent director of Ping An and Beijing Sanju Environmental Protection and New Material Co., Ltd., companies listed on the Shenzhen Stock Exchange. Mr. HAN graduated from China University of Political Science and Law and obtained a master's degree in Law in 1985.



**Independent Non-Executive Director**

Mr. SUEN Man Tak (孫文德)

Mr. SUEN Man Tak (孫文德), aged 63, is an Independent Non-Executive Director of the Company and a member of the Audit Committee and the Remuneration Committee of the Board. Mr. SUEN joined the Board in December 2015. Mr. SUEN has extensive experience in the enforcement of securities and futures related legislation as well as commercial crime investigations. Mr. SUEN had served with the Securities and Futures Commission of Hong Kong (the "SFC") for more than 17 years. He is now a practicing barrister-at-law specialising in litigation and advisory work on the Securities and Futures Ordinance, the Codes on Takeovers and Mergers and Share Buy-backs, the Rules Governing the Listing of Securities on the Stock Exchange, the Code of Conduct for Persons Licensed by or Registered with the SFC, market misconduct, white collar crimes and anti-money laundering activities. Mr. SUEN is an independent non-executive director of each of Zijin Mining Group Co., Ltd. and China Jinmao Holdings Group Limited, companies are listed on the Stock Exchange. Mr. SUEN was appointed as an independent director of Inception Growth Acquisition Limited, a company listed on The Nasdaq Global Market on 9 December 2021. Mr. SUEN received his master's degree in Accountancy from the Charles Sturt University, Australia in September 1996. He further obtained a degree of Juris Doctor in July 2010 and a postgraduate certificate in Laws in July 2011, both from City University of Hong Kong. He was called to the Hong Kong Bar in February 2013. Mr. SUEN has been a member of The Hong Kong Institute of Certified Public Accountants since July 1998 and a member of Hong Kong Securities and Investment Institute since April 1999.



**Independent Non-Executive Director**

Mr. WANG Zhifeng (王志峰)

Mr. WANG Zhifeng (王志峰), aged 66, is an Independent Non-Executive Director of the Company and a member of the Nomination Committee and the Remuneration Committee of the Board. Mr. WANG joined the Board in March 2016. He is currently the retired cadre of the head office of Agricultural Bank of China Limited (the "Agricultural Bank", and together with its subsidiaries, the "Agricultural Bank Group"). Mr. WANG joined the Agricultural Bank Group in August 1978 and has over 37 years' experience in finance and management. Mr. WANG also served as the deputy head of Shenyang Branch, the deputy head of Liaoning Branch, the head and the secretary of the Communist Party Committee of Inner Mongolia Branch and the head and the secretary of the Communist Party Committee of Dalian Branch of the Agricultural Bank and a supervisor of Agricultural Bank of China Financial Leasing Co., Ltd. Mr. WANG currently serves as an independent supervisor of Liaoning Port Co., Ltd. (formerly known as Dalian Port (PDA) Company Limited) ("Liaoning Port"), a company listed on the Stock Exchange and the Shanghai Stock Exchange. He was an independent non-executive director of Liaoning Port. Mr. WANG graduated from Shenyang Agricultural College with master's degree in Economic Management. Mr. WANG is a senior economist.



**Independent Non-Executive Director**  
Mr. JIN Qingjun (靳慶軍)

Mr. JIN Qingjun (靳慶軍), aged 64, is an Independent Non-Executive Director of the Company and a member of the Audit Committee and the Strategic and Investment Committee of the Board. Mr. JIN joined the Board in March 2016. Mr. JIN is currently the senior partner of King & Wood Mallesons, Beijing. His major areas of practice include securities, finance, investment, corporate and insolvency, as well as foreign-related legal affairs. Mr. JIN currently serves as an independent non-executive director of each of Times China Holdings Limited, Bank of Tianjin Co., Ltd., Central Development Holdings Limited and Goldstream Investment Limited, companies are listed on the Stock Exchange. Mr. JIN is an independent director of Shenzhen Cheng Chung Design Co., Ltd, and a non-independent director of Shenzhen Kingkey Smart Agriculture Times Co., Ltd, companies listed on the Shenzhen Stock Exchange. Mr. JIN was an independent non-executive director of Guotai Junan Securities Co., Ltd., a company listed on the Stock Exchange and the Shanghai Stock Exchange, and a director of Konka Group Co., Ltd., a company listed on the Shenzhen Stock Exchange. Mr. JIN graduated from China University of Political Science and Law and obtained a master's degree in Law.



**Independent Non-Executive Director**  
Ms. LAM Sin Lai Judy (林倩麗)

Ms. LAM Sin Lai Judy (林倩麗), aged 67, is an Independent Non-Executive Director of the Company, the Chairman of the Audit Committee and a member of the Strategic and Investment Committee of the Board. Professor LAM joined the Board in August 2017. Professor LAM is currently a board director of Wuhan College. Professor LAM has served as a board director and honorary treasurer of Hong Kong International Film Festival Society Limited. Professor LAM is the first scholar in Hong Kong who was awarded a PhD in accounting at The Chinese University of Hong Kong and is the first Cheung Kong chair professor in accounting engaged by the Ministry of Education of the PRC in Xiamen University. Professor LAM also holds positions as honorary professor and visiting professor at several universities in Mainland China. Professor LAM is a fellow member of The Hong Kong Institute of Certified Public Accountants, a chartered professional accountant and chartered accountant of Chartered Professional Accountants of British Columbia, a fellow member of The Chartered Governance Institute, a fellow member of The Hong Kong Chartered Governance Institute (formerly The Hong Kong Institute of Chartered Secretaries), a fellow member of CPA Australia, a fellow member of The Institute of Chartered Accountants in England and Wales ("ICAEW") and the vice-chairman of its Chinese committee. She has been a member of the Greta China Strategy Advisory Group of the ICAEW. In 2018, Professor LAM was awarded the Honorary Member of The Chinese Institute of Certified Public Accountants in Shenzhen. In 2019, Professor LAM was invited by The Chinese Institute of Certified Public Accountants as an editorial member of its professional journal Chinese Certified Public Accountant.

\* For identification purposes only

## SENIOR MANAGEMENT

### Mr. SUM Pui Ying (沈培英)

Mr. SUM Pui Ying, aged 60, is the Chief Financial Officer of the Company. Mr. SUM joined the Company in May 2007. Mr. SUM is also the chairman of the board, an executive director, the chairman of the investment committee and the chairman of the nomination committee of Gemini Investments (Holdings) Limited, an associated company of the Company and listed on the Stock Exchange. He is also a director of certain subsidiaries of the Company. Mr. SUM has extensive experience in corporate management of listed companies, investment and financing and financial management. Mr. SUM graduated from The Hong Kong Polytechnic University and obtained a professional diploma in Accounting in 1988, graduated from University of Wales and obtained a master's degree in Business Administration in 1991, and graduated from The University of Hong Kong and obtained a diploma in Legal Studies in 1996. Mr. SUM is currently a fellow member of Hong Kong Institute of Certified Public Accountants and a fellow member of ICAEW.

### Mr. DING Hui (丁暉)

Mr. DING Hui, aged 46, is the Vice President of the Company and the deputy general manager of the product construction centre of the Company. Mr. DING joined the Company in August 2002, and has served as the general manager of Beijing Yuan Hao Company, general manager of the development management department, general manager of the operational management centre, general manager of the commercial property department and general manager of the data procedure centre of the Company, with extensive experience in development and management of real estate and commercial property operation. Mr. DING graduated from Tongji University and obtained a bachelor's degree in Engineering in 1996 and graduated from Tsinghua University and obtained a master's degree in Structural Engineering in 2002.

### Mr. LI Zesheng (李澤生)

Mr. LI Zesheng, aged 58, is the Vice President of the Company. Mr. LI joined the Company in September 2019. Mr. LI was the general manager of the brand promotion department of China Life Insurance Group. He has extensive experience in brand marketing and market research. Mr. LI is a PhD graduate in Business Management. He graduated from Beijing Technology and Business University with a bachelor's degree in Accounting in 1987. Mr. LI has studied in Japan for many years and is engaged in studies and research in international business and marketing.

## COMPANY SECRETARY

### Mr. CHUNG Kai Cheong (鍾啟昌)

Mr. CHUNG Kai Cheong, aged 44, has been appointed as the Company Secretary of the Company since March 2020. Mr. CHUNG has also been the company secretary of Sino-Ocean Service Holding Limited, a subsidiary of the Company listed on the Stock Exchange, since September 2020. Mr. CHUNG gained extensive experience in auditing, accounting, financial management, corporate finance, investments, compliance of Listing Rules and related regulations in Hong Kong through his works in international Big Four accounting firm, companies listed on the Stock Exchange and a licensed corporation defined under the Securities and Futures Commission. Mr. CHUNG obtained a bachelor's degree majoring in Accountancy from City University of Hong Kong. He is currently a fellow of each of Hong Kong Institute of Certified Public Accountants, The Hong Kong Chartered Governance Institute (formerly The Hong Kong Institute of Chartered Secretaries) and The Chartered Governance Institute.



# REPORT OF THE DIRECTORS



The board of directors (the “Board”) of Sino-Ocean Group Holding Limited (the “Company” or “Sino-Ocean”) is pleased to present its report and the audited financial statements of the Company and its subsidiaries (the “Group” or “Sino-Ocean Group”) for the year ended 31 December 2021.

## PRINCIPAL OPERATIONS AND GEOGRAPHICAL ANALYSIS OF OPERATIONS

The Company is an investment holding company. Its subsidiaries are mainly engaged in development of residential property, investment property development and operation, property services and whole-industrial chain construction services, along with synergic business in real estate financing, senior living service, logistics real estate and internet data center, etc. The Group is one of the leading property developers with developments in key economic regions in the People’s Republic of China (the “PRC”).

The analysis of the Group’s revenue and operating results in its major operating activities is set out in the section headed “Management Discussion & Analysis” in this annual report and note 6 to the consolidated financial statements of this annual report.

## RESULTS AND APPROPRIATIONS

Results of the Group for the year ended 31 December 2021 are set out in the consolidated income statement and the consolidated statement of comprehensive income on pages 126 and 127 of this annual report respectively.

During the year under review, a final dividend in respect of the financial year ended 31 December 2020 of RMB0.075 per ordinary share (equivalent to HKD0.090 per ordinary share, rounded to the nearest three decimal places) and an interim dividend in respect of the six months ended 30 June 2021 of RMB0.046 per ordinary share (equivalent to HKD0.055 per ordinary share, rounded to the nearest three decimal places) were paid respectively.

The Board proposed to recommend at the forthcoming annual general meeting of the Company (the “AGM”) to be held on Friday, 20 May 2022 for the payment of a final dividend of RMB0.026 per ordinary share (equivalent to HKD0.032 per ordinary share, rounded to the nearest three decimal places) for the year ended 31 December 2021. The final dividend will be paid in cash in Hong Kong dollars. The relevant exchange rate is the average central parity rate of Renminbi to Hong Kong dollars as announced by the People’s Bank of China for the period from Wednesday, 16 March 2022 to Tuesday, 22 March 2022 (RMB1=HKD1.2300). The final dividend is subject to the approval of the shareholders of the Company (the “Shareholders”) at the AGM. The final dividend will be paid to the Shareholders whose names are standing in the register of members of ordinary shares of the Company on Wednesday, 25 May 2022. In order to qualify for the proposed final dividend, all properly completed transfer forms accompanied by the relevant share certificates must be lodged with the Company’s share registrar, Computershare Hong Kong Investor Services Limited (the “Share Registrar”) at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong no later than 4:30 p.m. on Wednesday, 25 May 2022.

The dividend payout ratio has been adjusted to slightly lower as considered the market downward pressure and uncertainties. The Group put strong emphasis on enhancing shareholders’ investment value in long-term and stable return, in the case that the market overall business situation returns to stable, we expected that the 2022 annual dividend payout ratio will be higher than that of the average of the past few years.

## CLOSURE OF REGISTER OF MEMBERS

The register of members of ordinary shares of the Company will be closed from Tuesday, 17 May 2022 to Friday, 20 May 2022 (both dates inclusive), during which period no transfer of ordinary shares will be registered. In order to qualify for attending the AGM, all properly completed transfer forms accompanied by the relevant share certificates must be lodged with the Share Registrar no later than 4:30 p.m. on Monday, 16 May 2022.

## DIVIDEND POLICY

The Company has adopted a dividend policy which sets out the basic principles and factors for considerations by the Board for the distribution of dividends. The Company strives to maintain a stable dividend payout ratio in order to enhance the Company's long-term investors' confidence in the Company's stock and strengthen the momentum of the Company's future share price. The Company intends to declare dividends twice for the results of that financial year in an aggregate amount of not less than 20% of the annual consolidated profit attributable to the owners of the Company.

On the premise that a stable dividend payout ratio shall be maintained, the Company is required to balance the Group's profit, capital plan, operational development requirements and other relevant factors such as financial position of the Group, the capital requirements of the Company and the prevailing economic climate to determine the distribution of dividends to the Shareholders. The Company determines the final dividend payout ratio also with reference to the industry's dividend payout level and stock price performance, as well as the capital market and Shareholders' expectations of the Company.

## RESERVES

Movements in the reserves of the Group and the Company during the year under review are set out in Consolidated Statement of Changes in Equity and notes 27 and 51 to the consolidated financial statements of this annual report.

## DISTRIBUTABLE RESERVES

The Company's total distributable reserves as at 31 December 2021 amounted to approximately RMB266 million.

## SHARE CAPITAL

Movements in the share capital of the Company during the year under review and as at 31 December 2021 are set out in note 25 to the consolidated financial statements of this annual report.

## FIXED ASSETS

Movements in the Group's fixed assets are set out in note 7 to the consolidated financial statements of this annual report.

## BORROWINGS

Details of borrowings are set out in note 31 to the consolidated financial statements of this annual report. Details of the Group's capitalized interest expenses and other borrowing costs during the year under review are set out in note 40 to the consolidated financial statements of this annual report.

## DONATIONS

For the year ended 31 December 2021, the Group's donations to charity and other purposes were approximately RMB13.76 million (2020: RMB21.13 million).

## BUSINESS REVIEW

A review of the business of the Group during the year and a discussion on the Group's future business development are set out in the paragraphs headed "2021 Business Review" and "2022 Company Strategies" under the section headed "Chairman's Statement" in this annual report, respectively. The description of possible risks and uncertainties that the Group may be facing are set out in the paragraphs headed "Market Review and Outlook" under the section headed "Chairman's Statement", note 4 to the consolidated financial statements and the paragraphs headed "Other Information" under the section headed "Management Discussion & Analysis" in this annual report. An analysis of the Group's performance during the year using financial key performance indicators is set out in the section headed "Financial & Operation Highlights" on pages 10 and 11 of this annual report and in the section headed "Management Discussion & Analysis" in this annual report.

## ENVIRONMENTAL POLICY AND PERFORMANCE

Sino-Ocean Group has been taking proactive measures in response to domestic and foreign advocacy while undertaking its environmental responsibilities. We formulated the "Sino-Ocean Group Policy on Climate Change", "Sino-Ocean Group Energy Policy", "Sino-Ocean Group Policy on Environmental Protection" and "Sino-Ocean Group Policy on Green Procurement", and issued the "Declaration of Sino-Ocean Group on Climate Change" to regulate management requirements related to the environment. In 2021, Sino-Ocean Group undertook to achieve the long-term goal of carbon neutrality by 2050 as we steadfastly charted our course to low-carbon and healthy development.

The Group has a long history of implementing standards for green and healthy buildings. On the business front, we conduct feasibility assessment and environmental impact assessment or registration for new projects in stringent adherence to environmental assessment procedures in accordance with relevant regulations of local governments, and make arrangements and investment decisions accordingly. Sino-Ocean Group has continued to take the lead among industry players in constructing green and healthy buildings, and upgraded its self-developed Sino-Ocean Healthy Building System in 2021 as a continuing effort to vigorously promote the concept of Building Health in a strive to build a greener and healthier living environment. In addition, Sino-Ocean has put into practice the adoption of WELL standard nationwide to build more green and healthy buildings. Meanwhile, we place a strong emphasis on environmental protection and green health. Green office management has been actively promoted internally in the corporate, including the launching of the Lights Off for One Hour during Lunch Break. Meetings are held by way of telephone and video conference wherever practicable, while arrangements have been made for all employees to receive training in energy conservation and environmental protection, etc. in a bid to create an eco-friendly and healthy workplace and foster a strong sense of environmental and health awareness among our employees.

## STAKEHOLDER RELATIONS

Based on its review on past efforts in the fulfilment of relevant responsibilities and judgment on the current international and domestic situations, Sino-Ocean stays committed to the communication and collaboration with the seven major groups of stakeholders, namely investors, government, employees, customers, environment, business partners and communities, striving to achieve sustainable development in economic, social and environmental values with these stakeholders together.

The Board believes that the support of Shareholders and investors is essential. The Group adheres to the best practice in information disclosure in terms of accuracy, transparency and consistency. The Group is committed to maintaining highly honest, sincere and effective communication with the financial community and other stakeholders. The Group also made proactive communication with investors. Apart from results presentations and roadshows, the Group attended investors' conferences and communicated constantly. After each general meeting, management reserved time for individual Shareholders to voice their opinions and concerns, ensuring all parties present were given opportunity to discuss the key issues with our representatives. For further information, please refer to the section headed "Investor Relations" in this annual report.

An enterprise should have initiatives in support of national policies to respond to government expectations and demands. Over the years, Sino-Ocean has not only actively echoed and conscientiously undertook the government's demand for "real estate market's continuous and healthy development", but also closely followed national policies by strictly observing new regulations on real estate financing, while showing a persistent concern and support for people's livelihood. We have never ceased to bring the strengths of our special skills into full play in developing projects for our market segments. Meanwhile, we are adherence to our commitment and social responsibility as a property developer, and strive to improve people's living standard, pay attention to and satisfy their increasingly demanding material and cultural needs by providing more families with a better living space.

The sustainable development of Sino-Ocean is dependent upon the diligent work under shared values and mutual progress of all employees. In 2021, Sino-Ocean Group continued to shape its corporate culture with responsibility, sharing and health as core elements, and garnered accolades such as 2021 Human Resources Management Excellence Award and 2021 Best Employers in China's Real Estate on the back of its outstanding corporate and institutional management capability, sound talent nurturing mechanism and healthy workplace environment as an employer. For more details, please refer to the paragraph headed "Employee Health with Heart-Warming Services" in the section headed "Sustainability Report" in this annual report.

At Sino-Ocean, we treasure our customers as one of our most important groups of stakeholders, adhere to the user-oriented principle for our dedicated projects to produce quality products through artistry, and promote healthy lifestyles, quality life, amicable fellow relations and a civil atmosphere in our small communities. For more details, please refer to the section headed "Sustainability Report" in this annual report.

On the environmental front, please refer to "Environmental Policy and Performance" above and contents in the section headed "Sustainability Report" in this annual report.

Committed to mutual growth and benefit with its business partners, the Group drives them to develop in a sustainable manner while undertaking social responsibility at the same time. Sino-Ocean has over 10,000 business partners across the nation. The Group gives priority to local suppliers based on the locations of relevant projects, and engages in regular discussion with business partners. Strategic suppliers are assessed and classified (based on the results of the assessment) on a semi-annual basis, while feedback on cooperation in strategic procurement is collected every other two months to ensure timely understanding of partners' business, development and environmental performance. The Group also formulated the "Sino-Ocean Group Code of Conduct for Supplier" and established a supplier ESG assessment system for conducting annual assessment to ensure that the suppliers of Sino-Ocean hold and put into practice the Group's views on accountability. During the year, Sino-Ocean established the "Building • Health 2030" alliance with suppliers, cooperation partners and industry associations, etc. and held a summit to discuss with over 200 core suppliers on sustainable development and addressing climate change and call on all participants to produce low-carbon and green products and ardently and actively address climate change, so as to make one's contribution to a better environment. In the meantime, Sino-Ocean has also shared the idea of "Micro-philanthropic, inclusive and sustainable" with its partners. Under the proposition of "shared benefits", an increasing number of them have joined hands with Sino-Ocean through concerted charity efforts and initiatives as "partners with shared benefits".

Sino-Ocean's corporate responsibility on the social and civic fronts is performed and completed primarily through "Sino-Ocean Charity Foundation" set up and funded by Sino-Ocean Group, which serves as the hub for a network of charitable resources with special emphasis on education support and environmental protection. Its professional charity platform has effectively integrated the resources of Sino-Ocean and provided the most professional and effective channel for the charitable donations and joint charity ventures of the Group and its partners.

For further details, please refer to the "Sustainable Development Report 2021" of Sino-Ocean Group, which will be published on the websites of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company ([www.sinooceangroup.com](http://www.sinooceangroup.com)) within the period as required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules").

## COMPLIANCE WITH LAWS AND REGULATIONS

The real estate industry in China is the core industry which PRC laws, regulations and policies pay much attention to. There are laws and regulations of different levels restricting various aspects of the real estate industry, such as the transfer of land use rights, the establishment of property development enterprises, the development and construction of real estate projects, environmental protection and foreign exchange control. The Group recognises the importance of the compliance with the laws and regulations in commercial activities, and the failure to comply with the above could result in serious risk and consequences. The Group has reasonably allocated legal, corporate governance, financial and human resources, in particular, the setting up of the compliance and risk management team, to ensure ongoing compliance with respective requirements of the laws and regulations and the policies. Meanwhile, the Group maintains good relationships with Government regulators through effective communication. During the year under review, to the best of our knowledge, the Group has complied with the following salient PRC laws and regulations, namely the Foreign Investment Law, the Company Law, the Land Administration Law, the Law of the Administration of Urban Real Estate, the Regulations on Administration of Urban Real Estate Development, the Construction Law, the Environmental Protection Law, Control of Foreign Exchange Regulations and other relevant laws and regulations.

The Group is also committed to the compliance with the following salient laws and regulations in Hong Kong, including but not limited to the Companies Ordinance (Chapter 622 of the Laws of Hong Kong), the Listing Rules, the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong, "SFO") and has been working with external professionals to develop internal guidelines and educating its employees so as to ensure that the Group and its employees will adopt business practices that are compliant with the relevant laws from time to time.

## CORPORATE GOVERNANCE

The Company is committed to maintaining a high standard of corporate governance practices. Corporate governance practices adopted by the Company are set out in the section headed "Corporate Governance Report" on pages 100 to 116 of this annual report.

## REMUNERATION POLICY AND RETIREMENT BENEFITS OF THE GROUP

A reasonable and comprehensive remuneration package is one of the measures in attracting, retaining and motivating experienced people of high calibre. The Group's remuneration system has been determined by reference, including but not limited to the corporate business performance, the efficiency and accomplishments of the staff, and the remuneration level of the same industry in the market. The Company offers share options and restricted shares to competitive staff at appropriate times so as to provide staff remuneration package with market competitiveness and to ensure availability of human resources for the sustained development of the Company.

Details of the Group's retirement benefit plans are set out in note 39 to the consolidated financial statements of this annual report.

## BASIS OF DETERMINING REMUNERATION TO DIRECTORS

The Group's remuneration policy is also applicable to the directors of the Company (the "Directors"). Apart from benchmarking against the market, the Company looks at individual experience, qualification and responsibilities involved in the Company in determining the exact level of remuneration for each Director. Appropriate benefits schemes are in place for the Directors, including the share option schemes and the restricted share award scheme, similar to those offered to other employees of the Group.

## FIVE-YEAR FINANCIAL SUMMARY

A five-year financial summary of the Group is set out on page 256 of this annual report.

## RESTRICTED SHARE AWARD SCHEME

The restricted share award scheme (the “Award Scheme”) was adopted by the Board on 22 March 2010 (the “Adoption Date”) as an incentive to retain and encourage employees for the continual operation and development of our Group. The Award Scheme, which shall continue in full force and effect from the Adoption Date for a term of 10 years, had expired on 22 March 2020. Although the Award Scheme had expired, the restricted shares already awarded under such scheme before its expiration remain valid. Following the expiry of the Award Scheme, no further restricted share can be granted thereunder.

According to the Award Scheme, the maximum number of shares to be awarded under the Award Scheme is 169,104,822 shares, representing 3% of the issued share capital of the Company as at the Adoption Date. The restricted shares will be purchased by the trustee from the market out of cash contributed by the Group and be held in trust for the relevant selected employees until such shares are vested with the relevant selected employees in accordance with the provisions of the Award Scheme. The shares awarded to the Directors and employees of the Group at no consideration will be vested in three years in which 40% of awarded shares will be vested after one year from the date of award and 7.5% of awarded shares will be vested quarterly thereafter.

During the year under review, the trustee of the Award Scheme, pursuant to the terms of the rules and trust deed of the Award Scheme, acquired 7,000,000 shares of the Company by way of acquisition at an aggregate consideration of approximately RMB9,683,615 (including transaction costs). Up to 31 December 2021, accumulated 161,806,297 shares of the Company had been acquired from the market at an aggregate consideration of approximately RMB537,336,163 (including transaction costs), and from receiving scrip shares in lieu of cash dividend by the trustee, representing approximately 2.87% and 2.12% of the issued share capital of the Company as at the Adoption Date and the date of this report, respectively.

Details of the number of shares awarded under the Award Scheme and the shares vested during the year under review are set out below:

Category of awardees	Date of award	No. of shares awarded but yet to be vested as at 1 January 2021	No. of shares awarded during the year	No. of shares vested during the year	No. of shares lapsed during the year	No. of shares awarded but yet to be vested as at 31 December 2021
Employees of the Group	20 March 2020	68,663,270	–	42,914,543	–	25,748,727

## SHARE OPTION SCHEMES OF THE COMPANY

The former share option scheme of the Company as adopted by the Shareholders' written resolutions dated 3 September 2007 (the "2007 Option Scheme") was valid and effective for a period of 10 years and had expired on 27 September 2017. Although the 2007 Option Scheme had expired, the share options already granted under such scheme before its expiration remain valid.

On 6 August 2018, the Shareholders approved a new share option scheme (the "2018 Option Scheme"), which is valid and effective for a period of 10 years until 5 August 2028, unless it is terminated early in accordance with the provisions of the 2018 Option Scheme.

A summary of the principal terms of each of the 2007 Option Scheme and the 2018 Option Scheme (collectively, the "Share Option Schemes") is set out below:

### The 2007 Option Scheme

Under the 2007 Option Scheme, the Board may grant share options to eligible employees and Directors of the Group. The purpose of the 2007 Option Scheme is to provide an incentive for employees of the Group to work with commitment towards enhancing the value of the Company and its shares for the benefit of our Shareholders, and to compensate employees of the Group for their contribution based on their individual performance and that of the Company.

As at 31 December 2021, the total number of shares of the Company which may be issued upon exercise of all outstanding share options granted under the 2007 Option Scheme is 40,500,000, representing approximately 0.53% of the issued shares of the Company as at the date of this annual report. Without prior approval from the Shareholders, the number of shares in respect of which share options were granted and may be granted to any individual in any 12-month period is not permitted to exceed 1% of the shares of the Company in issue. For any grant of options to a substantial Shareholder or an Independent Non-executive Director, or any of their respective associates, the Company's shares issued and to be issued upon exercise of all options already granted and to be granted (including options exercised, cancelled and outstanding) to such person within any 12-month period shall not exceed 0.1% of the issued shares of the Company in aggregate and with an aggregate value (based on the closing price of the Company's shares at the date of grant) in excess of HKD5 million. Following the expiry of the 2007 Share Option Scheme on 27 September 2017, no further share options can be granted thereunder.

The share options granted under the 2007 Option Scheme are exercisable within five years period in which 40% of share options become exercisable after one year from the grant date, 70% of share options become exercisable after two years from the grant date, and all share options become exercisable after three years from the grant date. A consideration of HKD1.00 is payable by each grantee accepting on the grant of share options. Options are exercisable at a price that is determined by the Board, which will not be less than the higher of the closing price of the Company's shares on the respective date of grant, and the average closing prices of the shares for the five business days immediately preceding the respective date of grant.



Particulars of share options outstanding under the 2007 Option Scheme at the beginning and at the end of the financial year ended 31 December 2021 and share options granted, exercised, cancelled or lapsed under the 2007 Option Scheme during the year were as follows:

Category of participant	Date of share options granted	Exercise period	Exercise price of share options (HKD)	No. of share options outstanding as at 1 January 2021	No. of share options lapsed during the year	No. of share options outstanding as at 31 December 2021
<b>Directors</b>						
Mr. LI Ming	13 Apr 2016	13 Apr 2017 – 12 April 2021	3.80	6,000,000	(6,000,000)	–
Mr. WANG Honghui	13 Apr 2016	13 Apr 2017 – 12 April 2021	3.80	2,400,000	(2,400,000)	–
	24 Aug 2017	24 Aug 2018 – 23 Aug 2022	4.70	2,000,000	–	2,000,000
Mr. CUI Hongjie	13 Apr 2016	13 Apr 2017 – 12 April 2021	3.80	2,670,000	(2,670,000)	–
	24 Aug 2017	24 Aug 2018 – 23 Aug 2022	4.70	2,000,000	–	2,000,000
Mr. HAN Xiaojing	13 Apr 2016	13 Apr 2017 – 12 April 2021	3.80	500,000	(500,000)	–
Mr. SUEN Man Tak	13 Apr 2016	13 Apr 2017 – 12 April 2021	3.80	500,000	(500,000)	–
Mr. WANG Zhifeng	13 Apr 2016	13 Apr 2017 – 12 April 2021	3.80	500,000	(500,000)	–
Mr. JIN Qingjun	13 Apr 2016	13 Apr 2017 – 12 April 2021	3.80	500,000	(500,000)	–
Ms. LAM Sin Lai Judy	24 Aug 2017	24 Aug 2018 – 23 Aug 2022	4.70	500,000	–	500,000
<b>Subtotal</b>				<b>17,570,000</b>	<b>(13,070,000)</b>	<b>4,500,000</b>
<b>Employees of the Group</b>						
	13 Apr 2016	13 Apr 2017 – 12 April 2021	3.80	71,420,500	(71,420,500)	–
	24 Aug 2017	24 Aug 2018 – 23 Aug 2022	4.70	38,800,000	(2,800,000)	36,000,000
<b>Subtotal</b>				<b>110,220,500</b>	<b>(74,220,500)</b>	<b>36,000,000</b>
<b>Total</b>				<b>127,790,500</b>	<b>(87,290,500)</b>	<b>40,500,000</b>

Note: During the year ended 31 December 2021, no share option was granted, exercised or cancelled with respect to the 2007 Option Scheme.

## The 2018 Option Scheme

The scope of the participants applicable to the 2018 Option Scheme shall be determined by the Board. In general, the participants of the 2018 Option Scheme are the formal employees (i.e. who have signed valid employment contracts with the Company for one year or more) of the Group. The Board may decide to grant share options to other persons who, in the opinion of the Board, are critical to the development of the Company. The purposes of the 2018 Option Scheme are to provide an incentive for employees of the Group to work with commitment towards enhancing the value of the Company and its shares for the benefit of our Shareholders, to enhance the competitiveness of the Company's remuneration structure, to attract and retain talents required to achieve the Company's long-term strategic targets, and to compensate Directors and employees of the Group for their contribution based on their individual performance and the performance of the Company.

The total number of shares in respect of which share options may be granted under the 2018 Option Scheme is not permitted to exceed 761,528,565 shares, representing approximately 10% of the total number of issued shares of the Company as at the date of this report. As at 31 December 2021, the total number of shares of the Company which may be issued upon exercise of all outstanding share options granted under the 2018 Option Scheme is 744,128,565, representing approximately 9.77% of the issued shares of the Company as at the date of this annual report. Without prior approval from the Shareholders, the number of shares in respect of which share options were granted and may be granted to any individual in any 12-month period is not permitted to exceed 1% of the shares of the Company in issue. For any grant of options to a substantial Shareholder or an Independent Non-executive Director, or any of their respective associates, the Company's shares issued and to be issued upon exercise of all options already granted and to be granted (including options exercised, cancelled and outstanding) to such person within any 12-month period shall not exceed 0.1% of the issued shares of the Company in aggregate and with an aggregate value (based on the closing price of the Company's shares at the date of grant) in excess of HKD5 million.

The share options granted under the 2018 Option Scheme are exercisable within five years period in which 50% of share options become exercisable after 12 months from the grant date and all share options become exercisable after 24 months from the grant date. A consideration of HKD1.00 is payable by each grantee accepting on the grant of share options. Options are exercisable at a price that is determined by the Board, which will not be less than the higher of the closing price of the Company's shares on the respective date of grant, and the average closing prices of the shares for the five business days immediately preceding the respective date of grant.

Particulars of share options outstanding under the 2018 Option Scheme at the beginning and at the end of the financial year ended 31 December 2021 and share options granted, exercised, cancelled or lapsed under the 2018 Option Scheme during the year were as follows:

Category of participant	Date of share options granted	Exercise period	Exercise price of share options (HKD)	No. of share options outstanding as at 1 January 2021	No. of share options lapsed during the year	No. of share options outstanding as at 31 December 2021
<b>Directors</b>						
Mr. LI Ming	4 Sep 2018	4 Sep 2019 – 3 Sep 2023	3.96	25,000,000	–	25,000,000
	27 Mar 2019	27 Mar 2020 – 26 Mar 2024	3.37	50,000,000	–	50,000,000
Mr. HAN Xiaojing	4 Sep 2018	4 Sep 2019 – 3 Sep 2023	3.96	600,000	–	600,000
	27 Mar 2019	27 Mar 2020 – 26 Mar 2024	3.37	600,000	–	600,000
	25 Mar 2020	25 Mar 2021 – 24 Mar 2025	2.106	600,000	–	600,000
Mr. SUEN Man Tak	4 Sep 2018	4 Sep 2019 – 3 Sep 2023	3.96	600,000	–	600,000
	27 Mar 2019	27 Mar 2020 – 26 Mar 2024	3.37	600,000	–	600,000
	25 Mar 2020	25 Mar 2021 – 24 Mar 2025	2.106	600,000	–	600,000
Mr. WANG Zhifeng	4 Sep 2018	4 Sep 2019 – 3 Sep 2023	3.96	600,000	–	600,000
	27 Mar 2019	27 Mar 2020 – 26 Mar 2024	3.37	600,000	–	600,000
	25 Mar 2020	25 Mar 2021 – 24 Mar 2025	2.106	600,000	–	600,000
Mr. JIN Qingjun	4 Sep 2018	4 Sep 2019 – 3 Sep 2023	3.96	600,000	–	600,000
	27 Mar 2019	27 Mar 2020 – 26 Mar 2024	3.37	600,000	–	600,000
	25 Mar 2020	25 Mar 2021 – 24 Mar 2025	2.106	600,000	–	600,000

Category of participant	Date of share options granted	Exercise period	Exercise price of share options (HKD)	No. of share options outstanding as at 1 January 2021	No. of share options lapsed during the year	No. of share options outstanding as at 31 December 2021
Ms. LAM Sin Lai Judy	4 Sep 2018	4 Sep 2019 – 3 Sep 2023	3.96	600,000	–	600,000
	27 Mar 2019	27 Mar 2020 – 26 Mar 2024	3.37	600,000	–	600,000
	25 Mar 2020	25 Mar 2021 – 24 Mar 2025	2.106	600,000	–	600,000
<b>Subtotal</b>				<b>84,000,000</b>	<b>0</b>	<b>84,000,000</b>
<b>Former Directors</b>						
Mr. FU Fei (Resigned on 25 July 2021)	4 Sep 2018	4 Sep 2019 – 3 Sep 2023	3.96	600,000	(600,000)	–
Ms. LI Liling (Resigned on 25 July 2021)	4 Sep 2018	4 Sep 2019 – 3 Sep 2023	3.96	600,000	(600,000)	–
<b>Subtotal</b>				<b>1,200,000</b>	<b>(1,200,000)</b>	<b>0</b>
<b>Employees of the Group</b>						
	4 Sep 2018	4 Sep 2019 – 3 Sep 2023	3.96	204,600,000	–	204,600,000
	27 Mar 2019	27 Mar 2020 – 26 Mar 2024	3.37	455,528,565	–	455,528,565
<b>Subtotal</b>				<b>660,128,565</b>	<b>0</b>	<b>660,128,565</b>
<b>Total</b>				<b>745,328,565</b>	<b>(1,200,000)</b>	<b>744,128,565</b>

Notes:

1. During the year ended 31 December 2021, no share option was granted, exercised or cancelled with respect to the 2018 Option Scheme.
2. 600,000 options (granted on 4 September 2018 while Mr. FU Fei was a non-executive Director) were lapsed following the resignation of Mr. FU Fei as a non-executive Director on 25 July 2021 in accordance with the rules of the 2018 Option Scheme.
3. 600,000 options (granted on 4 September 2018 while Ms. LI Liling was a non-executive Director) were lapsed following the resignation of Ms. LI Liling as a non-executive Director on 25 July 2021 in accordance with the rules of the 2018 Option Scheme.

## PURCHASE, SALES OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

On 5 May 2021, the Group repurchased its USD700,000,000 floating rate guaranteed notes due 2021 (the "2021 Notes") issued by Sino-Ocean Land Treasure IV Limited ("SOL Treasure IV"), a wholly-owned subsidiary of the Company, of an aggregate principal amount of USD214,385,000 by way of a tender offer at the purchase price of 100.20% of the principal amount of the 2021 Notes, plus accrued and unpaid interest. The repurchased notes had been cancelled. For details of the repurchase, please refer to the announcements of the Company dated 21 April 2021, 30 April 2021 and 6 May 2021. After cancellation of the repurchased notes, the outstanding aggregate principal amount of the 2021 Notes was USD485,615,000. Subsequently, SOL Treasure IV had redeemed the 2021 Notes in full at their outstanding principal amount of USD485,615,000, plus accrued and unpaid interest in July 2021 on its final maturity date.

On 8 November 2021, the Group repurchased (i) its USD700,000,000 6.000% guaranteed notes due 2024 (the "2024 Notes") issued by Sino-Ocean Land Treasure Finance I Limited, a wholly-owned subsidiary of the Company, of an aggregate principal amount of USD2,000,000 at an aggregate consideration of approximately USD1,713,000 and (ii) its USD500,000,000 5.25% guaranteed notes due 2022 (the "2022 Notes") issued by SOL Treasure IV of an aggregate principal amount of USD2,000,000 at an aggregate consideration of approximately USD1,844,000 in the open market. The repurchased notes were subsequently cancelled on 4 March 2022. After cancellation of the repurchased notes, the outstanding principal amount of the 2024 Notes and the 2022 Notes is USD698,000,000 and USD498,000,000, respectively.

Save as disclosed above and in the section headed "Restricted Share Award Scheme" in this report, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the listed securities of the Company during the year under review.

## DIRECTORS

The table below sets out certain information on the members of the Board during the year under review and up to the date of this report:

Name	Position
Mr. LI Ming	Chairman and Executive Director
Mr. WANG Honghui	Executive Director
Mr. CUI Hongjie	Executive Director
Ms. HUANG Xiumei	Non-executive Director (appointed on 19 March 2021)
Mr. ZHAO Peng <sup>1</sup>	Non-executive Director (appointed on 25 July 2021)
Mr. HOU Jun	Non-executive Director
Mr. CHEN Ziyang	Non-executive Director (appointed on 25 July 2021)
Mr. ZHAN Zhong	Non-executive Director (appointed on 18 September 2021)
Mr. HAN Xiaojing	Independent Non-executive Director
Mr. SUEN Man Tak	Independent Non-executive Director
Mr. WANG Zhifeng	Independent Non-executive Director
Mr. JIN Qingjun	Independent Non-executive Director
Ms. LAM Sin Lai Judy	Independent Non-executive Director
Mr. ZHAO Peng <sup>1</sup>	Non-executive Director (resigned on 19 March 2021)
Mr. FU Fei	Non-executive Director (resigned on 25 July 2021)
Ms. LI Liling	Non-executive Director (resigned on 25 July 2021)

Note 1: Both Mr. ZHAO Peng are different persons.

Brief biographical details of the Directors and senior management are set out on pages 70 to 75 of this annual report.

## DIRECTORS OF SUBSIDIARIES

List of directors of subsidiaries of the Company during the year under review and up to the date of this report is kept at the Company's registered office.

## DIRECTORS' SERVICE CONTRACTS

The term of service as a Director is subject to retirement by rotation and re-election in accordance with the provisions of the articles of association of the Company (the "Articles"). Each of the Non-executive Director and Independent Non-executive Director has entered into a letter of appointment with the Company for a term of one year subject to re-election in the forthcoming AGM.

None of the Directors who are proposed for re-election at the forthcoming AGM has a service contract with any member of the Group which is not determinable by the Group within one year without payment of compensation (other than statutory compensation).

## PERMITTED INDEMNITY

The Articles provides that each Director or other officer of the Company shall be entitled to be indemnified out of the assets of the Company against all losses or liabilities which he or she may sustain or incur in or about the execution of the duties of his or her office or otherwise in relation thereto. In addition, the Company has maintained appropriate directors and officers liability insurance in respect of relevant legal actions against the Directors and officers of the Group.

## DIRECTORS' INTERESTS IN TRANSACTIONS, ARRANGEMENTS OR CONTRACTS OF SIGNIFICANCE

Save as disclosed in the section headed "Continuing Connected Transactions" in this report and "Related Party Transactions" as set out in note 50 to the consolidated financial statements and contracts amongst group companies, no transaction, arrangement or contract of significance in relation to the Group's business to which the Company or any of its subsidiaries was a party and in which any Director or any entity connected with a Director had a material interest, whether directly or indirectly, subsisted at the end of year or at any time during the year under review.

## DIRECTORS' RIGHTS TO PURCHASE SHARES OR DEBENTURES

Save for the share options granted pursuant to the Share Option Schemes and the restricted shares awarded pursuant to the Award Scheme as set out above, at no time during the year under review, was the Company or any of its subsidiaries a party to any arrangement that would enable the Directors to acquire benefits by means of acquisition of shares in, or debentures of, the Company or any other body corporate, and none of the Directors or any of their spouses or children under the age of 18, were granted any right to subscribe for the equity or debt securities of the Company or any other body corporate or had exercised any such right.

## EQUITY-LINKED AGREEMENTS

Save for the Company's share option schemes as disclosed in the section headed "Share Option Schemes of the Company" of this report, no equity-linked agreements were entered into by the Group during the year or subsisted at the end of the year.

## INTERESTS OF DIRECTORS AND CHIEF EXECUTIVES IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 31 December 2021, the interests and short positions of each Director and chief executives of the Company in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register required to be kept by the Company under section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions for Securities Transactions by Directors of Listed Issuers (the “Model Code”) as set out in Appendix 10 to the Listing Rules, were as follows:

### Long position in the shares and the underlying shares of the Company

As at 31 December 2021					
Name of Directors	Nature of interest	No. of ordinary shares of the Company held	No. of underlying shares comprised in share options (Note i)	Total	Approximate percentage in the Company's total issued share capital (Note iv)
Mr. LI Ming	Founder of discretionary trust	127,951,178 (Note ii)	–	127,951,178	1.680%
	Beneficiary of trust	14,914,200 (Note iii)	–	14,914,200	0.196%
	Beneficial owner	65,445,000	75,000,000	140,445,000	1.844%
Mr. WANG Honghui	Beneficial owner	273,295	2,000,000	2,273,295	0.030%
Mr. CUI Hongjie	Beneficial owner	369,571	2,000,000	2,369,571	0.031%
Ms. HUANG Xiumei	–	–	–	–	–
Mr. ZHAO Peng	–	–	–	–	–
Mr. HOU Jun	–	–	–	–	–
Mr. CHEN Ziyang	–	–	–	–	–
Mr. ZHAN Zhong	–	–	–	–	–
Mr. HAN Xiaojing	Beneficial owner	460,000	1,800,000	2,260,000	0.030%
Mr. SUEN Man Tak	Beneficial owner	120,000	1,800,000	1,920,000	0.025%
Mr. WANG Zhifeng	Beneficial owner	120,000	1,800,000	1,920,000	0.025%
Mr. JIN Qingjun	Beneficial owner	120,000	1,800,000	1,920,000	0.025%
Ms. LAM Sin Lai Judy	Beneficial owner	–	2,300,000	2,300,000	0.030%

Notes:

(i) The share options were granted pursuant to the Share Option Schemes, details of which are set out as above in the paragraphs headed “Share Option Schemes of the Company” in this section.

(ii) The 127,951,178 shares are held by a discretionary trust of which Mr. LI Ming is the founder.

(iii) The 14,914,200 shares are held by a discretionary trust of which Mr. LI Ming, his spouse and his son are the beneficiaries.

(iv) Calculated based on the Company's total number of issued ordinary shares of 7,616,095,657 shares as at 31 December 2021.

## Long position in the shares of the associated corporation

Name of Director	Name of associated corporation	Nature of interest	No. of ordinary shares of associated corporation held as at 31 December 2021	Approximate percentage of total issued share capital of associated corporation as at 31 December 2021 (Note)
Mr. WANG Honghui	Gemini Investments (Holdings) Limited	Beneficial owner	132,000	0.021%

Note: Calculated based on Gemini Investments (Holdings) Limited's total number of issued ordinary shares of 635,570,000 shares as at 31 December 2021.

Save as disclosed above, as at 31 December 2021, none of the Directors nor the chief executives of the Company had any interest or short positions in any of the shares, underlying shares or debentures of the Company or any of its associated corporations (with the meaning of Part XV of the SFO) as record in the register required to be kept by the Company under section 352 of the SFO or which are required to be notified to the Company and the Stock Exchange pursuant to the Model Code.

## SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

The register required to be kept by the Company under section 336 of Part XV of the SFO shows that as at 31 December 2021, the Company had been notified of the following Shareholders' interests in the shares of the Company, being interests of 5% or more, in addition to those disclosed above in respect of the Directors and chief executives of the Company:

Name of the Shareholders	Capacity	Long/short position	No. of ordinary shares of the Company held as at 31 December 2021	Approximate percentage in the Company's total issued share capital as at 31 December 2021 (Note iii)
China Life Insurance (Group) Company ("China Life Insurance Group") (Note i)	Interest of controlled corporation	Long	2,253,459,151	29.59%
Dajia Insurance Group Co., Ltd.* (大家保險集團有限責任公司) ("Dajia Insurance") (Note ii)	Interest of controlled corporation	Long	2,252,646,115	29.58%

Notes:

(i) The 2,253,459,151 shares were registered in the name of, and beneficially owned by, China Life Insurance Company Limited ("China Life"). China Life Insurance Group was interested in 68.37% of China Life. China Life Insurance Group was deemed to be interested in these shares by virtue of the SFO.

(ii) The 2,252,646,115 shares were registered in the name of, and beneficially owned by, Dajia Life Insurance Co., Ltd.\* (大家人壽保險股份有限公司) ("Dajia Life Insurance"). Dajia Insurance was interested in 99.98% of Dajia Life Insurance. Dajia Insurance was deemed to be interested in these shares by virtue of the SFO.

(iii) Calculated based on the Company's total number of issued ordinary shares of 7,616,095,657 shares as at 31 December 2021.

Save as disclosed above, as at 31 December 2021, the Company had not been notified by any person or corporation who had interests or short positions in the shares or underlying shares of the Company as recorded in the register required to be kept by the Company under section 336 of the SFO.

\* For identification purposes only



## COMPETING INTERESTS

None of the Directors has interest in any business which competes or is likely to compete, either directly or indirectly, with the businesses of the Group that were required to be disclosed pursuant to Rule 8.10 of the Listing Rules.

## MANAGEMENT CONTRACTS

No contracts, other than employment contracts, concerning the management and administration of the whole or any substantial part of the business of the Company were entered into or existed during the year.

## MAJOR SUPPLIERS AND CUSTOMERS

The Group's principal business is property development. During the year under review, purchases from the Group's five largest suppliers (excluding land supply) accounted for less than 30% of the total purchases for the year.

The Group's major products are principally commodity housings, and its major customers bases are general individual home buyers, involving a relatively large number of customers. During the year under review, sales to the Group's five largest customers accounted for less than 30% of the turnover for the year.

As far as the Directors are aware, neither the Directors, their close associates, nor the Shareholders (which to the knowledge of the Directors own more than 5% of the number of issued shares of the Company) had any interest in the five largest customers and suppliers of the Group.

## CONTINUING CONNECTED TRANSACTIONS

During the year under review, the Group had conducted the following continuing connected transactions that were not fully exempt under Chapter 14A of the Listing Rules, details of which were disclosed below in compliance with the requirements of Chapter 14A of the Listing Rules:

### (a) Master framework agreement dated 21 December 2018 (as amended and supplemented by the supplemental agreement dated 31 December 2019)

On 21 December 2018, the Company and Anbang Insurance Group Co., Ltd.\* (安邦保險集團股份有限公司) (“Anbang Insurance”) entered into the master framework agreement (the “2018 Master Agreement”) in relation to (i) the arrangement whereby the Group shall second its staff to Anbang Insurance and its subsidiaries and associates (collectively, the “Anbang Group”) (the “Staff Secondment Arrangement”); (ii) the consultancy services in relation to real estate projects to be provided by the Group to the Anbang Group (the “Consultancy Services”); (iii) the arrangement whereby the Group shall authorise and license the Anbang Group to use the brand name of “遠洋” to promote the sales of its real estate projects (the “Brand Name Licensing Arrangement”); and (iv) the lease by the Group of its properties to the Anbang Group (the “Property Lease”).

The 2018 Master Agreement was with a term of three years commencing from 1 January 2019 to 31 December 2021 (both days inclusive).

The annual caps in respect of the transactions contemplated under the 2018 Master Agreement are as follows:

Type of transaction	Annual caps (RMB'000)		
	For the year ended 31 December		
	2019	2020	2021
Staff Secondment Arrangement	70,000	70,000	80,000
Consultancy Services	30,000	30,000	40,000
Brand Name Licensing Arrangement	150,000	150,000	100,000
Property Lease	10,000	15,000	17,000
<b>Total</b>	<b>260,000</b>	<b>265,000</b>	<b>237,000</b>

Reference is made to the announcement of the Company dated 10 May 2018 in relation to the formation of a joint venture in the PRC (i.e. Sino-Ocean Bangbang Real Estate Co., Ltd.\* (遠洋邦邦置業有限公司) (the “JV Company”, currently known as Dajia Real Estate Co., Ltd\* (大家置業有限公司)) between the Company and Anbang Insurance. Since the formation of the JV Company, the Company and Anbang Insurance have been negotiating actively on the details of the terms of cooperation between the parties, and Anbang Insurance has agreed to entrust the JV Company with the management of numerous projects under its control. The 2018 Master Agreement codifies the Group’s role in its cooperation with the Anbang Group. While the Anbang Group brings in businesses to the JV Company and/or the Group, the Group provides support to operation of the Anbang Group by utilising its expertise, resources as well as its brand name. The Staff Secondment Arrangement allows the Group and the Anbang Group to enjoy the economies of scales by the secondment of staff with experience in the field of real estate development which will maximize cost efficiency and management effectiveness, while the Anbang Group shall reimburse the costs to be incurred by the Group. The provision of the Consultancy Services, the Brand Name Licensing Arrangement and the Property Lease allow the Group to utilise its expertise, brand name as well as resources and bring in additional revenue to the Group.

As at the date of the 2018 Master Agreement, Anbang Insurance (through its shareholding in Anbang Life Insurance Co., Ltd.\* (安邦人壽保險股份有限公司) (the “Direct Shareholder”)) was a substantial Shareholder and therefore a connected person of the Company. Accordingly, the transactions contemplated under the 2018 Master Agreement constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

As one or more applicable percentage ratios calculated in accordance with the Listing Rules in respect of the annual caps under the 2018 Master Agreement in aggregate exceed 0.1% but are less than 5%, the entering into of the 2018 Master Agreement and the transactions contemplated thereunder are subject to the reporting and announcement requirements but are exempt from the circular (including independent financial advice) and the independent Shareholders’ approval requirements under Chapter 14A of the Listing Rules.

Subsequently, the Company was informed that on 23 August 2019, pursuant to the approval by the China Banking and Insurance Regulatory Commission (中國銀行保險監督管理委員會), the Direct Shareholder has been renamed from “Anbang Life Insurance Co., Ltd.\* (安邦人壽保險股份有限公司)” to “Dajia Life Insurance Co., Ltd.\* (大家人壽保險股份有限公司)” and its controlling shareholder has been changed from Anbang Insurance to Dajia Insurance Group Co., Ltd.\* (大家保險集團有限責任公司) (“Dajia Insurance”, together with its subsidiaries and associates, the “Dajia Insurance Group”), while the de facto controller remains unchanged. Accordingly, Anbang Insurance ceased to be, and Dajia Insurance became, a substantial Shareholder. The JV Company, which was owned as to 50% by a wholly-owned subsidiary of the Direct Shareholder, also ceased to be an associate of Anbang Insurance and became an associate of Dajia Insurance. Given the aforesaid, on 31 December 2019, the Company, Anbang Insurance and Dajia Insurance entered into a supplemental agreement (the “Supplemental Agreement”), pursuant to which, amongst other things, Anbang Insurance has transferred all its rights and obligations under the 2018 Master Agreement to Dajia Insurance with effect from 23 August 2019.

As at the date of the Supplemental Agreement, the Direct Shareholder was a substantial Shareholder which held approximately 29.58% of the total issued share capital of the Company directly. The Direct Shareholder was owned as to approximately 99.98% by Dajia Insurance and thus Dajia Insurance was a connected person of the Company. Accordingly, the transactions contemplated under the 2018 Master Agreement (as amended and supplemented by the Supplemental Agreement) constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

Details of the continuing connected transactions contemplated under the 2018 Master Agreement (as amended and supplemented by the Supplemental Agreement) have been disclosed in the announcements of the Company dated 21 December 2018 and 31 December 2019.

For the year ended 31 December 2021, the transaction amount for the Consultancy Services was approximately RMB33,138,000, which is within its annual cap, while no transaction was incurred for the Staff Secondment Arrangement, the Brand Name Licensing Arrangement and the Property Lease.

The Group’s risk management function of the Group has reviewed the continuing connected transactions under the 2018 Master Agreement (as amended and supplemented by the Supplemental Agreement) and the related internal control procedures, and is of the view that the continuing connected transactions were conducted in accordance with the terms thereof (including the pricing policy and/or mechanism thereunder); and that the internal control procedures in respect of the continuing connected transactions are sound and effective during the year under review.

\* For identification purposes only

In accordance with Rule 14A.55 of the Listing Rules, the Independent Non-executive Directors have reviewed the continuing connected transactions under the 2018 Master Agreement (as amended and supplemented by the Supplemental Agreement) which took place during the year and confirmed that the transactions have been entered into:

- (1) in the ordinary and usual course of business of the Group;
- (2) on normal commercial terms or better; and
- (3) according to the relevant agreements governing them on terms that are fair and reasonable and in the interests of the Shareholders as a whole.

In accordance with Rule 14A.56 of the Listing Rules, the auditors of the Company have provided a letter to the Board, confirming that nothing has come to their attention that causes them to believe that the continuing connected transactions under the 2018 Master Agreement (as amended and supplemented by the Supplemental Agreement) which took place during the year:

- (1) have not been approved by the Board;
- (2) (for transaction involving the provision of goods or services by the Group) were not, in all material respects, in accordance with the pricing policies of the Group;
- (3) were not entered into, in all material respects, in accordance with the relevant agreements governing the transactions; and
- (4) have exceeded the annual cap.

## (b) Financial Products Transactions Framework Agreement dated 27 March 2019

On 27 March 2019, the Company and China Life entered into the financial products transactions framework agreement (the “2019 Framework Agreement”), pursuant to which China Life and its subsidiaries and branch offices (collectively, the “China Life Group”) may, based on its investments needs, subscribe for financial products to be issued by the Group.

The 2019 Framework Agreement is of a period commencing from 1 April 2019 to 31 December 2021.

In accordance with the terms of the 2019 Framework Agreement, the subscription amount (including transaction amount and any related expenses) by the China Life Group shall be capped at RMB12,000,000,000 or equivalent currencies during its term, and the annual caps in respect of the subscription amount by the China Life Group for transactions contemplated under the 2019 Framework Agreement are RMB4,000,000,000 or equivalent currencies per annum for each of the years ending 31 December 2019, 2020 and 2021, of which the subscription amount of:

- (1) credit products and unsecured products shall not exceed RMB2,000,000,000 or equivalent currencies per annum; and
- (2) various types of perpetual loan that are issued in or outside PRC, whether publicly or non-publicly issued, shall not exceed RMB2,000,000,000 or equivalent currencies per annum.

Furthermore, taking into account the types of financial products issued by the Group in the past and the amount involved, the Group expects that the transaction amounts for subscription by the China Life Group of financial products that are to be secured by assets of the Group under the 2019 Framework Agreement shall not be more than RMB1,050,000,000 or equivalent currencies per annum for each of the years ending 31 December 2019, 2020 and 2021.

China Life is the largest Shareholder. Building on the capital relationship between the Company and China Life, the parties have been cooperating and creating synergies in different areas of business. The entering into of the 2019 Framework Agreement provides the parties with flexibility to carry out transactions contemplated thereunder within the capital market window should both parties consider appropriate. The transactions under the 2019 Framework Agreement enhance the synergy between the Company and China Life in the capital market, allowing China Life to enrich its investments portfolio with a view to obtaining better investment returns on one hand, and enhancing the debt profile of the Company and thereby improving its capability for sustainable development on the other hand.

As at the date of the 2019 Framework Agreement, China Life was a substantial Shareholder and therefore a connected person of the Company. Accordingly, the transactions contemplated under the 2019 Framework Agreement constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

Subscription by China Life of financial products of the Group pursuant to the 2019 Framework Agreement constitute financial assistance to be received by the Group from China Life. Pursuant to Rule 14A.90 of the Listing Rules, subscription of financial products that are not secured by assets of the Group and are conducted on normal commercial terms are exempt from the reporting, announcement, annual review and independent Shareholders’ approval requirements under Chapter 14A of the Listing Rules. On the other hand, as one or more of the applicable percentage ratios calculated in accordance with the Listing Rules in respect of the annual caps for the subscription by China Life of financial products that are to be secured by assets of the Group pursuant to the 2019 Framework Agreement exceed 0.1% but are less than 5%, the entering into of the 2019 Framework Agreement and the transactions contemplated thereunder are subject to the reporting and announcement requirements but are exempt from the circular (including independent financial advice) and the independent Shareholders’ approval requirements under Chapter 14A of the Listing Rules.

Details of the continuing connected transactions contemplated under the 2019 Framework Agreement have been disclosed in the announcement of the Company dated 27 March 2019.

No transaction involving the subscription by the China Life Group of financial products that are secured by assets of the Group was incurred during the year ended 31 December 2021.

The 2019 Framework Agreement had expired on 31 December 2021 and on 16 December 2021, the Company and China Life entered into a new framework agreement (the “New Framework Agreement”), pursuant to which the China Life Group may, based on its investments needs, subscribe for financial products to be issued by the Group. The New Framework Agreement shall be of a period commencing from 1 January 2022 to 31 December 2024. Details of the continuing connected transactions contemplated under the New Framework Agreement have been disclosed in the announcement of the Company dated 16 December 2021 and continuing connected transactions contemplated under the New Framework Agreement will be reported in the next annual report of the Company in accordance with the Listing Rules.

## RELATED PARTY TRANSACTIONS

A summary of significant related party transactions entered into by the Group during the year under review is contained in note 50 to the consolidated financial statements. Save as disclosed above, none of the related party transactions referred to in the aforementioned note constitutes a non-exempt connected transaction under the Listing Rules. The Company has complied with the disclosure requirements in accordance with Chapter 14A of the Listing Rules during the year under review.

## DISCLOSURE PURSUANT TO RULE 13.22 OF THE LISTING RULES

As at 31 December 2021, the amount of financial assistance to affiliated companies by the Group in aggregate exceeded 8% under the assets ratios as defined in Rule 14.07(1) of the Listing Rules.

In accordance with the requirements under Rule 13.22 of the Listing Rules, a proforma combined statement of financial position of the affiliated companies as at 31 December 2021 is presented as follows:

	<b>RMB (million)</b>
Non-current assets	10,035
Current assets	74,784
Current liabilities	(44,127)
Non-current liabilities	(30,908)
<b>Net assets</b>	<b>9,784</b>

The Group’s attributable interest in the affiliated companies as at 31 December 2021 amounted to RMB5,944 million.

The proforma combined statement of financial position of the affiliated companies has been prepared by combining their statement of financial position, after making adjustments to conform with the Group’s significant accounting policies as at 31 December 2021.

## CHANGES IN DIRECTORS' INFORMATION

Pursuant to Rule 13.51B(1) of the Listing Rules, changes in the information of Directors during the period from 30 March 2021 (being the latest practicable date prior to the issue of the last annual report) to 28 March 2022 (being the latest practicable date prior to the issue of this annual report) required to be disclosed are set out below:

- Mr. LI Ming, an Executive Director, has become as a member of the 6th election committee in Hong Kong Special Administrative Region since October 2021.
- Ms. HUANG Xiumei, a Non-executive Director, was appointed as an executive director of China Life, a company listed on The New York Stock Exchange, the Stock Exchange and The Shanghai Stock Exchange, on 1 July 2021.
- Mr. ZHAO Peng has been appointed as a Non-executive Director and a member of the Audit Committee of the Company with effect from 25 July 2021. Mr. ZHAO was appointed as a director of Dajia Life Insurance on 8 July 2021 and also has been appointed as a non-executive director of China Minsheng Banking Corp., Ltd., a company listed on the Stock Exchange and The Shanghai Stock Exchange, since June 2021.
- Mr. CHEN Ziyang has been appointed as a Non-executive Director and a member of the Strategic and Investment Committee of the Company with effect from 25 July 2021.
- Mr. ZHAN Zhong has been appointed as a Non-executive Director with effect from 18 September 2021.
- Mr. FU Fei resigned as a Non-executive Director and a member of the Strategic and Investment Committee of the Company with effect from 25 July 2021.
- Ms. LI Liling resigned as a Non-executive Director and a member of the Audit Committee of the Company with effect from 25 July 2021.
- Mr. HAN Xiaojing, an Independent Non-executive Director, has been appointed as an independent non-executive director of Angelalign Technology Inc., a company listed on the Stock Exchange, on 20 May 2021.
- Mr. JIN Qingjun, an Independent Non-executive Director, has retired as an independent non-executive director of Guotai Junan Securities Co., Ltd., a company listed on the Stock Exchange and The Shanghai Stock Exchange, on 28 June 2021.
- Mr. SUEN Man Tak was appointed as an independent director of Inception Growth Acquisition Limited, a company listed on The Nasdaq Global Market on 9 December 2021.

## SUFFICIENT PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of the Directors, the Company has maintained a sufficient public float of more than 25% of the Company's issued shares as required under the Listing Rules.

## AUDITORS

The consolidated financial statements for the year ended 31 December 2021 have been audited by PricewaterhouseCoopers, Certified Public Accountants, who will retire and, being eligible, offer themselves for re-appointment, at the forthcoming AGM.

## EVENTS AFTER THE YEAR ENDED 31 DECEMBER 2021

Save as disclosed in note 53 (Subsequent Event) to the consolidated financial statements in this annual report, the Group did not have material subsequent events after the year ended 31 December 2021.

**By order of the Board**

**LI Ming**  
*Chairman*

Hong Kong, 23 March 2022



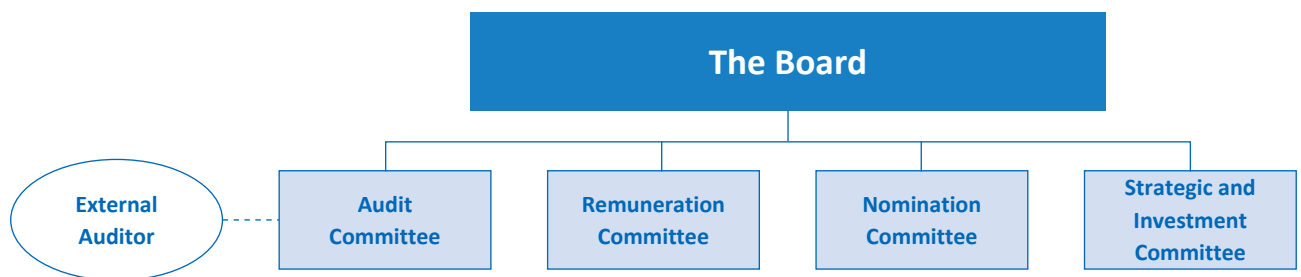
# CORPORATE GOVERNANCE REPORT

The Board is pleased to present the Corporate Governance Report of the Company.

## COMMITMENT TO CORPORATE GOVERNANCE

The board of directors (the “Board”) and the management of Sino-Ocean Group Holding Limited (the “Company”) and its subsidiaries (the “Group”) are committed to achieving and maintaining high standards of corporate governance, which they consider to be critical in safeguarding the integrity of the Company’s operations and maintaining investors’ trust in the Company. It is of utmost importance to conduct business with accountability, transparency and fairness. The Group’s interests as well as those of its shareholders will be maximized in the long run by adhering to these principles. The management of the Group also actively observes the latest corporate governance developments in Hong Kong and overseas.

### Corporate governance structure



### Corporate governance practices

In the opinion of the Board, the Company had applied the principles and complied with the applicable code provisions of the Corporate Governance Code (the “CG Code”) as set out in Appendix 14 to the Rules Governing the Listing of Securities of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) (the “Listing Rules”) which was in force throughout the year under review, except for the deviation as disclosed herein.

The roles of the chairman (the “Chairman”) and the chief executive officer (the “CEO”) of the Company are served by Mr. LI Ming and have not been segregated as required under code provision A.2.1 of the CG Code which was in force during the year under review. However, the Company considers that the combination of the roles of the Chairman and the CEO involve a realignment of power and authority under the existing corporate structure and facilitate the ordinary business activities of the Company. Although the responsibilities of the Chairman and the CEO are vested in one person, all major decisions are made in consultation with the Board and the senior management of the Company. The Board considers that there is sufficient balance of power and that the current arrangement maintains a strong management position and also facilitates efficiency in the ordinary business activities of the Company. The Board will review the current structure from time to time and will make any necessary arrangement as appropriate.

## Directors' and relevant employees' securities transactions

The Company has adopted a code of conduct regarding securities transactions by the Directors (the "Code of Conduct") on terms no less exacting than those required standards set out in the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") in Appendix 10 to the Listing Rules. The Company has made specific enquiries with all the Directors and each of them has confirmed that he or she had complied with all required standards set out in the Model Code and the Code of Conduct throughout the year.

The Company has also set out a guideline regarding securities transactions by the relevant employees (the "Relevant Employees") who, because of their roles and functions in the Company or its subsidiaries, are likely to be in possession of inside information. All the Relevant Employees are reminded of the necessity for compliance with the guideline regularly.

## THE BOARD

### Responsibilities

The Board, led by the Chairman, is responsible for achieving the corporate goals, formulating the development strategy, regularly reviewing the organizational structure, and monitoring the business activities and the performance of management so as to protect and maximize the interests of the Company and its shareholders (the "Shareholders") as a whole. Matters relating to the daily operations of the Group are delegated to the management. The delegated functions, power and work tasks are periodically reviewed to ensure that they remain appropriate. The Board will give clear directions to the management team as to their powers of management, and circumstances where the management team should report back. Approval has to be obtained from the Board prior to any decision being made or any commitments being entered into on behalf of the Company that are outside the scope of the operational authority delegated by the Board. Matters reserved for the Board are the overall strategy of the Group, major acquisitions and disposals, major capital investments, dividend policy, significant changes in accounting policies, material contracts, appointment and retirement of Directors, remuneration policy and other major operational and financial matters.

During the year under review, the Board has considered, assessed, reviewed, approved and/or formulated the matters summarized below, including but not limited to:

- annual budget, management results and performance update against annual budget, together with business reports from the management;
- interim results for the six months ended 30 June 2021 and the annual results for the year ended 31 December 2020;
- declaration of interim and final dividends;
- investment/disposal transactions and related announcements;
- continuing connected transaction relating to renewal of the financial products transactions framework agreement with China Life Insurance Company Limited;
- the adequacy of resources, staff qualifications and experience, training programmes and budget of the Company's accounting, internal audit and financial reporting function;
- debt issuance and repayment and other critical business operations, assessed the corporate governance, internal control and the financial matters of the Group; and
- Environmental, Social and Governance ("ESG") strategy and implementation plan and the Company's 2020 Sustainability Development Report.

The valuable recommendations contributed by each Board committee are highly respected by the Board and the Board takes proactive actions to put the recommendations in place.

The Board is collectively responsible for performing corporate governance duties including:

- (a) to develop and review the Company's policies and practices on corporate governance;
- (b) to review and monitor the training and continuous professional development of Directors and senior management;
- (c) to review and monitor the Company's policies and practices on compliance with legal and regulatory requirements;
- (d) to develop, review and monitor the Code of Conduct applicable to Directors and the Relevant Employees; and
- (e) to review the Company's compliance with the CG Code which is amended from time to time, and its disclosure in the corporate governance report.

## Board composition

As at 28 March 2022, being the latest practicable date prior to the issue of this annual report, the Board comprised thirteen Directors, including three Executive Directors (the "EDs"), Mr. LI Ming (Chairman), Mr. WANG Honghui and Mr. CUI Hongjie; five Non-executive Directors (the "NEDs"), Ms. HUANG Xiumei, Mr. ZHAN Peng, Mr. HOU Jun, Mr. CHEN Ziyang and Mr. ZHAN Zhong; and five Independent Non-executive Directors (the "INEDs"), Mr. HAN Xiaojing, Mr. SUEN Man Tak, Mr. WANG Zhifeng, Mr. JIN Qingjun and Ms. LAM Sin Lai Judy. An updated list of the Directors and their roles and functions is published on the websites of the Company and the Stock Exchange. Composition of the Board is also disclosed, and the INEDs are identified, in all corporate communications to the Shareholders.

The members of the Board are from a Board diversity with a wide background, rich industry experience and appropriate professional qualifications. Please refer to the section headed "Biographies of Directors and Senior Management" of this annual report for the profiles of the Directors.

Save as disclosed in the section headed "Biographies of Directors and Senior Management", the Directors have no other financial, business, family or other material/relevant relationships with one another.

### (i) Chairman and Chief Executive Officer

As disclosed in the section headed "Corporate governance practices" in this report, although the responsibilities of the Chairman and the CEO are vested in one person, Mr. LI Ming, all major decisions are made in consultation with the Board and the senior management of the Company. The Board considers that there is sufficient balance of power and that the current arrangement maintains a strong management position and also facilitates efficiency in the ordinary business activities of the Company. The Board will review the current structure from time to time and will make any necessary arrangement as appropriate.

### (ii) Non-executive Directors and Independent Non-executive Directors

The functions of NEDs and INEDs should include:

- (a) participating in board meetings to bring an independent judgement to bear on issues of strategy, policy, performance, accountability, resources, key appointments and standards of conduct;
- (b) taking the lead where potential conflicts of interests arise;
- (c) serving on the audit, remuneration, nomination and strategic and investment committees, if invited; and
- (d) scrutinising the Company's performance in achieving agreed corporate goals and objectives, and monitoring performance reporting.

The NEDs (including INEDs) have made a positive contribution to the development of the Company's strategy and policies through independent, constructive and informed comments. They give the Board and the committees on which they serve the benefit of their skills, expertise, varied backgrounds and qualifications through regular attendance and active participation.

The Company has received annual confirmations from all INEDs, namely Mr. HAN Xiaojing, Mr. SUEN Man Tak, Mr. WANG Zhifeng, Mr. JIN Qingjun and Ms. LAM Sin Lai Judy, in respect of their independence pursuant to Rule 3.13 of the Listing Rules. The Nomination Committee has reviewed and concluded that all the INEDs are independent parties in accordance with the independence guidelines set out in the Listing Rules and free of any relationship that could materially interfere with the exercise of their independent judgements.

Ms. HUANG Xiumei (appointed on 19 March 2021), Mr. ZHAO Peng<sup>1</sup> (appointed on 25 July 2021), Mr. HOU Jun, Mr. CHEN Ziyang (appointed on 25 July 2021), Mr. ZHAN Zhong (appointed on 18 September 2021), Mr. ZHAO Peng<sup>1</sup> (resigned on 19 March 2021), Mr. FU Fei (resigned on 25 July 2021), and Ms. LI Liling (resigned on 25 July 2021), all are NEDs, have agreed not to receive the Director's fees of HKD299,836, HKD166,575, HKD380,000, HKD166,575, HKD109,315, HKD80,164, HKD213,425, HKD213,425, respectively during the year under review.

Note 1: Both Mr. ZHAO Peng are different persons.

## Appointment and Re-election of Directors

The Directors give sufficient time and attention to the affairs of the Company. All Directors are required to disclose to the Company at the time of their appointment and in a timely manner for any change, the number and nature of offices held in public companies or organisations and other significant commitments.

Despite Mr. JIN Qingjun hold multiple directorship positions in listed companies, after taking into account his high attendance rate in the Board and Board committee meetings of the Company, and the advice and views given by him in the Board and Board committee meetings as well as the time that he spent on perusing monthly management updates of the Company and the information in relation to other performance of the Company, the Board believes that Mr. JIN devoted sufficient time and effort to perform his duties.

Pursuant to the letters of appointment, all NEDs and INEDs are appointed for an initial term of one year. However, such term is subject to his/her re-appointment at the annual general meeting of the Company (the "AGM") in accordance with the articles of association of the Company (the "Articles").

Every Director, including NEDs and INEDs, is subject to retirement by rotation at least once every three years. One-third of the Directors must retire from office at each AGM and their re-election is subject to the approval of the Shareholders.

Pursuant to the Articles, any Director appointed by the Board to fill a casual vacancy or as an addition to the existing Board shall hold office only until the next following general meeting of the Company, and shall be eligible for re-election.

## Meetings

The Board conducts meetings on a regular basis and at least four times a year. Additional meetings will be arranged if and when required. During the year under review, the Board convened four regular meetings. For the summary of the work during the year, please refer to the section headed “THE BOARD” under sub-headed “Responsibilities” of this report.

The attendance of each Director at the Board meetings and general meetings of the Company during the year under review is set out in the following table:

Directors	Number of meetings attended/ eligible to attend		
	Board meeting	AGM	Extraordinary general meeting (the “EGM”)
Mr. LI Ming	4/4	1/1	2/2
Mr. WANG Honghui	4/4	1/1	2/2
Mr. CUI Hongjie	4/4	1/1	2/2
Ms. HUANG Xiumei (appointed on 19 March 2021)	2/4	0/1	0/1
Mr. ZHAO Peng <sup>1</sup> (appointed on 25 July 2021)	3/3	0/0	0/1
Mr. HOU Jun	4/4	0/1	0/2
Mr. CHEN Ziyang (appointed on 25 July 2021)	3/3	0/0	0/1
Mr. ZHAN Zhong (appointed on 18 September 2021)	2/2	0/0	0/1
Mr. HAN Xiaojing	4/4	0/1	0/2
Mr. SUEN Man Tak	4/4	0/1	0/2
Mr. WANG Zhifeng	4/4	0/1	0/2
Mr. JIN Qingjun	4/4	0/1	0/2
Ms. LAM Sin Lai Judy	4/4	0/1	0/2
Mr. ZHAO Peng <sup>1</sup> (resigned on 19 March 2021)	0/0	0/0	0/1
Mr. FU Fei (resigned on 25 July 2021)	1/1	0/1	0/1
Ms. LI Liling (resigned on 25 July 2021)	1/1	0/1	0/1

Note 1: Both Mr. ZHAO Peng are different persons.

Notices of regular Board meetings were given to all Directors at least 14 days before the meetings according to the requirement of the Articles. For other board meetings, reasonable notice is generally given. For regular Board committee meetings, at least 7-day notice is generally given. For other Board committee meetings, at least 3-day notice is generally given.

The agenda of Board meetings are set after consultation with the Chairman. All Directors are given an opportunity to include matters in the agenda. The agenda accompanying board papers, which are prepared in a form and quality sufficient to enable the Board to make informed decisions, are given to all Directors in a timely manner. All Directors are properly briefed on issues arising at any Board meetings by the Chairman.

Minutes of Board meetings and meetings of Board committees with details of the matters considered and decisions reached are kept by the company secretary of the Company (the “Company Secretary”) and are open for inspection with a reasonable notice by any Director. All Directors and committee members of the Board committee are urged to attend the Board meetings and Board committee meetings in person. For the Directors and committee members, who are unable to attend the meeting in person, participation through electronic means will be arranged.

All Directors have full and timely access to all relevant information as well as advice and services of the Company Secretary. Upon making request to the Board, all Directors may obtain independent professional advice at the Company’s expense for carrying out their functions.

During the year under review, owing to the constantly evolving the novel coronavirus pandemic situation, certain chairman of the Board committees of the Company could not attend the general meetings of the Company. However, they had expressed their concern on the questions raised at the AGM and the EGM (if any).

The Chairman promotes a culture of openness and actively encourages Directors with different views to voice their opinion and be fully engaged in the Board’s affairs so as to contribute to the Board’s functions. The Chairman meets with the INEDs at least annually without the presence of other Directors.

## Training for Directors

For any newly appointed Director, he/she will be provided with an induction training so as to ensure that he/she has an appropriate understanding of the business and operations of the Company and that he/she is fully aware of his/her responsibilities and obligations as a Director under the Listing Rules and the relevant regulatory requirements.

There are also arrangements in place for providing continuing briefing and professional development to Directors, whenever necessary, in order to ensure that they have a proper understanding of the Company’s operations and business. To assist their continuous professional development, the Company Secretary recommends relevant seminars and courses for the Directors to attend. During the year, two trainings organized by The Hong Kong Institute of Directors with the title of “Update Changes to the Listing Rules and CG Code 2021” and “How to make ESG policy a benefit and value to your company and stakeholders” were provided to the Board.

All Directors also understand the importance of continuous professional development. They are committed to participating in suitable training to develop and refresh their knowledge and skills. A record of the training received by the respective Directors is kept and updated by the Company Secretary.

During the year under review, the Directors participated in the following trainings:

Directors	Type of trainings
Mr. LI Ming	A, C
Mr. WANG Honghui	A, C
Mr. CUI Hongjie	A, C
Ms. HUANG Xiumei (appointed on 19 March 2021)	A, C
Mr. ZHAO Peng <sup>1</sup> (appointed on 25 July 2021)	A, C
Mr. HOU Jun	A, C
Mr. CHEN Ziyang (appointed on 25 July 2021)	A, C
Mr. ZHAN Zhong (appointed on 18 September 2021)	A, C
Mr. HAN Xiaojing	A, C
Mr. SUEN Man Tak	A, B, C
Mr. WANG Zhifeng	A, C
Mr. JIN Qingjun	A, C
Ms. LAM Sin Lai Judy	A, C
Mr. ZHAO Peng <sup>1</sup> (resigned on 19 March 2021)	–
Mr. FU Fei (resigned on 25 July 2021)	–
Ms. LI Liling (resigned on 25 July 2021)	–

Note 1: Both Mr. ZHAO Peng are different persons.

Remarks:

A: attending seminars, conferences and/or forums

B: giving talk at seminar(s) or forum(s)

C: reading professional journals and updates relating to the economy, general business, real estate or director's duties and responsibilities etc.

## Directors' and officers' liability insurance and indemnity

The Articles provides that every Director is entitled to be indemnified out of the assets of the Company against any liability, loss or damages which he/she may sustain or incur in or about the execution of duties of his/her office or otherwise in relation thereto provided that such indemnity shall not extend to any matter in respect of fraud or dishonesty which may attach to any Director.

The Company has arranged appropriate liability insurance to indemnify its Directors and officers for their liabilities arising out of corporate activities. During the year under review, no claim was made on the liability insurance for the Directors and the officers of the Company.



## BOARD COMMITTEES

The Board has set up four Board committees, namely, the audit committee (the “Audit Committee”), the remuneration committee (the “Remuneration Committee”), the nomination committee (the “Nomination Committee”) and the strategic and investment committee (the “Strategic and Investment Committee”) (collectively the “Board Committees”), for overseeing particular aspects of the Company’s affairs. The Board Committees are provided with sufficient resources to discharge their duties and, upon reasonable request, are able to seek independent professional advice in appropriate circumstances at the Company’s expense. All resolutions passed by the Board Committees will be reported to the Board.

The attendance of each Director at the Board Committee (where applicable) meetings during the year under review is set out in the following table:

Directors	Number of meetings: attended/eligible to attend			
	Audit Committee Meeting	Remuneration Committee Meeting	Nomination Committee Meeting	Strategic and Investment Committee Meeting
Mr. LI Ming	–	–	1/1	1/1
Mr. WANG Honghui	–	–	–	1/1
Ms. HUANG Xiumei (appointed as a member of the Audit Committee on 19 March 2021)	1/1	–	–	–
Mr. ZHAO Peng <sup>1</sup> (appointed as a member of the Audit Committee on 25 July 2021)	1/1	–	–	–
Mr. HOU Jun	–	–	–	1/1
Mr. CHEN Ziyang (appointed as a member of the Strategic and Investment Committee on 25 July 2021)	–	–	–	1/1
Mr. HAN Xiaojing	–	2/2	1/1	–
Mr. SUEN Man Tak	2/2	2/2	–	–
Mr. WANG Zhifeng	–	2/2	1/1	–
Mr. JIN Qingjun	2/2	–	–	1/1
Ms. LAM Sin Lai Judy	2/2	–	–	1/1
Mr. ZHAO Peng <sup>1</sup> (ceased to act as a member of the Audit Committee on 19 March 2021)	0/1	–	–	–
Mr. FU Fei (ceased to act as a member of the Strategic and Investment Committee on 25 July 2021)	–	–	–	0/0
Ms. LI Liling (ceased to act as a member of the Audit Committee on 25 July 2021)	1/1	–	–	–

Note 1: Both Mr. ZHAO Peng are different persons.

## Audit Committee

After Ms. LI Liling ceased to act as a member of the Audit Committee and the appointment of Mr. ZHAO Peng as a member of the Audit Committee with effect from 25 July 2021, the Audit Committee consists of three INEDs namely Ms. LAM Sin Lai Judy, Mr. SUEN Man Tak, Mr. JIN Qingjun, and two NEDs, namely Ms. HUANG Xiumei and Mr. ZHAO Peng. Ms. LAM Sin Lai Judy is the chairman of the Audit Committee. She has professional qualifications in accountancy. None of the member of the Audit Committee is a member of the former or existing auditors of the Company or has any financial interest in the firm.

The main duties of the Audit Committee are, including but not limited to, to monitor and supervise the financial reporting process, risk management and internal control systems, oversee the audit process, review of financial information of the Group. The Audit Committee is also responsible for considering the appointment, independence and remuneration of the auditors and any matters related to the removal and resignation of the auditors, reviewing and monitoring continuing connected transactions as well as performing other duties and responsibilities as may be assigned by the Board from time to time. The written terms of reference of the Audit Committee are available on the websites of the Company and the Stock Exchange.

The Audit Committee held two meetings during the year under review. EDs, senior management and the external auditor of the Company were invited to join the discussions at the meetings.

The tasks, among others, performed by the Audit Committee during the year under review included:

- (i) review of the audit plan of the external auditor and discussion with them about the nature and scope of the audit;
- (ii) review of the interim and annual consolidated financial statements;
- (iii) review of the continuing connected transactions conducted by the Group during the year;
- (iv) discussion with the external auditor on the issues of, including but not limited to the impact of national macro policies to real estate companies, currency risk, financing structure, land appreciation tax, progress of various projects, joint venture operation, and implementation of new tax rule in the PRC;
- (v) review the overall financial position of the Group and the adequacy of the provision for material liabilities and impairment of assets;
- (vi) review of the adequacy and effectiveness of the internal control system over accounting, financial reporting, and internal audit functions and then give recommendation to the Board for improvement of internal control, credit control and risk management;
- (vii) review of the application of the relevant General Accepted Accounting Principles and recommendation to the Board for the adoption of accounting policies;
- (viii) meeting with the external auditor in the absence of EDs and senior management to discuss issues regarding audit;
- (ix) review and approval of the remuneration and terms of engagement of external auditor;
- (x) review of the external auditor's independence and objectivity and the effectiveness of audit process according to applicable standards as well as consider the re-appointment of external auditor; and
- (xi) review the external auditor's independence and the engagement to perform non-audit services.

## Remuneration Committee

The Remuneration Committee comprises three members, all being INEDs, namely Mr. HAN Xiaojing, Mr. SUEN Man Tak and Mr. WANG Zhifeng. Mr. HAN Xiaojing is the chairman of the Remuneration Committee.

The main duties of the Remuneration Committee are to make recommendations and proposals to the Board in respect of the remuneration policies and to review and approve the remunerations which are determined based on the results and performance of the Company by making reference to the Company's objectives as approved from time to time by the Board and based on prevailing market conditions. The Remuneration Committee may consult the Chairman of the Board about their remuneration proposals for EDs.

The Remuneration Committee to determine, with delegated responsibility from the Board, the remuneration package and incentive payment of EDs and senior management, including benefits in kind, pension rights and compensation payments. The written terms of reference of the Remuneration Committee are available on the websites of the Company and the Stock Exchange.

The tasks, among others, performed by the Remuneration Committee during the year under review included:

- (i) review and approval of the report of the labour cost for the year ended 31 December 2020 and the budget of the overall cost for the year ended 31 December 2021;
- (ii) review and approval of the report of remuneration packages for EDs and senior management for the year ended 31 December 2021; and
- (iii) make recommendation to the Board on the Director's fee of three NEDs appointed during the year.

The remuneration of Directors is determined with reference to a number of factors, including but not limited to, their experience, qualifications, duties and responsibilities involved in the Company and the prevailing market conditions. Details of emoluments of Directors for the year under review are set out in note 52 to the consolidated financial statements. The emoluments paid to senior management during the year under review were within the following bands:

	<b>Number of senior management</b>
Nil to HKD3 million	1
Above HKD3 million to HKD4 million	2

## Nomination Committee

The Nomination Committee comprises three members, being an ED, Mr. LI Ming, and two INEDs, namely Mr. HAN Xiaojing and Mr. WANG Zhifeng. Mr. LI Ming is the chairman of the Nomination Committee.

The main duties of the Nomination Committee are to identify and nominate candidates for directorship, consider nominations for directorship and make recommendations to the Board in respect of such appointments. If necessary, the Nomination Committee will also convene meetings and submit reports to the Board. The written terms of reference of the Nomination Committee are available on the websites of the Company and the Stock Exchange.

The tasks, among others, performed by the Nomination Committee during the year under review included:

- (i) review and recommend the structure, size, composition and diversity of the Board;
- (ii) review the profile of the potential candidate to assess suitability in accordance with the nomination policy of the Company (the “Nomination Policy”) and the objective criteria, with due regard for the benefits of diversity, as set out under the board diversity policy of the Company (the “Board Diversity Policy”) and then make recommendation to the Board;
- (iii) review and recommend the appointment of three NEDs;
- (iv) assess the independence of INEDs; and
- (v) assess the qualification, capacity, diversity and experience of Directors to be retired and entitled to be re-elected in the forthcoming general meeting and then make recommendation to the Board on the re-appointment of Directors

### Summary of Nomination Policy under Nomination Committee

The purpose of the Nomination Policy is to set out the selection criteria and procedure for the selection, appointment and re-appointment of Directors. In assessing the suitability of a proposed candidate, the factors which would be used as reference by the Nomination Committee include but are not limited to the following:

- reputation for integrity
- accomplishment and experience in the industry
- commitment in respect of available time and relevant interest
- diversity in all its aspects, including but not limited to gender, age (18 years or above), cultural and educational background, professional experience, skills, knowledge, industry or other experience, expertise, independence and length of service

Member(s) of the Nomination Committee shall convene a meeting of the Nomination Committee for consideration of nominated candidate(s) and the Board members are welcome to nominate suitable candidates to be director of the Company from time to time. The Nomination Committee may also put forward candidates who are not nominated by Board members. For filling a casual vacancy or appointing an addition Director, the Nomination Committee shall make recommendations for the Board’s consideration and approval. For proposing candidates to stand for election or re-election at a general meeting, the Nomination Committee shall make nominations or recommendations to the Board for its consideration. A circular containing the names, brief biographies (including qualifications and relevant experience), independence, proposed remuneration and any other information as required pursuant to the applicable laws, rules and regulations of the proposed candidates nominated by the Board to stand for election or re-election at a general meeting will be sent to Shareholders. A candidate is allowed to withdraw his candidature at any time before the general meeting by serving a notice in writing to the Company Secretary. The Board shall have the final decision on all matters relating to its recommendation of candidates to stand for election or re-election at any general meeting. If a Shareholder wishes to nominate a person for election as Director in a general meeting, please refer to the “Procedures for Shareholders to propose a person for Election as a Director” made available under the Corporate Governance section of the Company’s website ([www.sinooceangroup.com](http://www.sinooceangroup.com)).

## Summary of Board Diversity Policy under Nomination Committee

The Company recognizes and embraces the benefits of having a diverse Board to enhance the quality of its performance and hence the purpose of the Board Diversity Policy aims to build and maintain a Board with a diversity of Directors, including but not limited to, in terms of gender, age, cultural and education background, professional experience, skills, knowledge, industry or other experience, expertise, independence and length of service. These differences will be taken into account in determining the optimum composition of the Board. The Company will also take into account factors based on its business model and specific needs from time to time. The Nomination Committee will discuss the measurable objectives for implementing diversity on the Board from time to time and recommend them to the Board for adoption.

The Nomination Committee will review annually on the composition of the Board under diversified perspectives according to the Diversity Policy, and monitor the implementation of this policy to ensure its effectiveness. The Board is characterized by significant diversity, whether in terms of gender, age, professional background and skills.

An analysis of the Board composition as of 31 December 2021 is set out in the following chart:

No. of Directors	Gender	Category	Age Group	Skill, knowledge and experience
13	Female	EDs	60 or above	<ul style="list-style-type: none"> <li>Expertise in property development, construction management and property management</li> </ul>
12				
11				
10	Male	NEDs	50 or above and below 60	<ul style="list-style-type: none"> <li>Corporate strategies and risk management</li> <li>Capital market, investment management and finance</li> <li>Insurance and banking industry experience</li> </ul>
9				
8				
7		INEDs	Below 50	<ul style="list-style-type: none"> <li>Legal and compliance</li> <li>Listed company corporate governance</li> <li>Accounting and education</li> </ul>
6				
5				
4				
3				
2				
1				

## Strategic and Investment Committee

After Mr. FU Fei ceased to act as a member of the Strategic and Investment Committee and the appointment of Mr. CHEN Ziyang as a member of the Strategic and Investment Committee with effect from 25 July 2021, the Strategic and Investment Committee comprises six members, being two EDs, namely Mr. LI Ming and Mr. WANG Honghui, two NEDs, namely Mr. HOU Jun and Mr. CHEN Ziyang and two INEDs, namely Mr. JIN Qingjun and Ms. LAM Sin Lai Judy. Mr. LI Ming is the chairman of the Strategic and Investment Committee. It will meet at the request of any member of the committee and the head of the strategic and investment department will also participate in discussions. The Strategic and Investment Committee is authorized, at the expense of the Company, to seek advice from external professionals or to arrange them to attend the meetings.

The main duties of the Strategic and Investment Committee are to research and make recommendation on the Company's development strategies, to review and approve investments within the authority delegated by the Board, to make recommendations to the Board on major investments which are beyond its authority, to make subsequent assessments of investments and to review and consider the overall investment direction and business development of the Company. The written terms of reference of the Strategic and Investment Committee are available on the websites of the Company and the Stock Exchange.

During the year under review, the Strategic and Investment Committee has made recommendations and approvals for the Company's investments and arrangements that require its approval, including but not limited to transactions relating to property disposal, investment and development, subscription of shares in both logistics property company and internet data center company, and disposal of property holding company.

## ACCOUNTABILITY AND AUDIT

The Directors acknowledge their responsibility to present a balanced, clear and comprehensive assessment of the Company's performance, position and prospects. The management provides all Board members with monthly updates which give a balanced and understandable assessment of the Company's performance, position and prospects in sufficient details to enable the Board as a whole and each Director to discharge their duties. The Directors are responsible for the preparation of the financial statements for each financial period which gives a true and fair view of the Group's financial results for relevant period. Such information have been disclosed in the management discussion and analysis and consolidated financial statements of the annual and interim reports, announcements and other financial disclosures as required under the Listing Rules, and reports to regulators. Where the Directors are aware of material uncertainties relating to events or conditions that might cast significant doubt upon the Company's ability to continue as a going concern, such uncertainties would be clearly and prominently set out and discussed in detail in this Corporate Governance Report.

The statement of the independent auditor of the Company about their reporting responsibilities and opinion on the financial statements of the Company for the year ended 31 December 2021 is set out in the Independent Auditor's Report on pages 117 to 123 of this annual report.

## RISK MANAGEMENT AND INTERNAL CONTROLS

The risk management and internal controls of the Group are designed to help the Group in protecting its assets and information. The presence of risk management and internal controls empowers the Group to implement best business practices in challenging business environments. The Group's risk management and internal controls cover a number of in-house procedures and policies comprising, among others, the relevant financial, operational and compliance controls, handling and dissemination of inside information and executing other risk management functions.

The Board requires the management to maintain sound and effective internal controls. Evaluation of the Group's risk management and internal controls and the internal audit are independently conducted by our risk management department. They report to the Audit Committee at least twice each year, among others, in any significant findings and effectiveness of the internal audit, risk management and internal control systems. The Board and the Audit Committee considered that the risk management and internal control systems are implemented effectively. Furthermore, the Board, through the Audit Committee, at least annually, has conducted the review of the adequacy of resources, staff qualifications and experience, training programmes and budget of the Company's accounting, internal audit and financial reporting function; and the effectiveness of the Group's risk management and internal control systems cover all material controls, including financial, operational and compliance controls and risk management function and considered all the above were adequate.

Risk management strategies have been established to help individual operating divisions manage risks facing the Group and support the Board in discharging its corporate governance responsibilities. Our risk management process emphasize on a comprehensive analysis to important matter and gone through the identification, analysis, evaluation, mitigation, monitoring and reporting of relevant risks to create a safe, fair, healthy, efficient and environmental friendly environment for employees, tenants, customers, and contractors while ensuring the safety and health of the public and minimizing the impacts on environment. Risk management is implemented throughout every aspect of operation and management of the Group. Through risk management process, we identify the potential risks and uncertainties which may affect the Group's strategic goals and business plans, and manage risks within the scope of risk appetite in order to provide reasonable assurance for achieving the strategic goals and business plans of the Group. The description of possible risks and uncertainties that the Group may be facing are set out in the paragraphs headed "Market Review and Outlook" under the section headed "Chairman's Statement", note 4 to the consolidated financial statements and the paragraphs headed "Other Information" under the section headed "Management Discussion & Analysis" in this annual report.

The Group complies with the requirements of the SFO and the Listing Rules. The Group will disclose inside information to the public as soon as reasonably practicable unless the information falls within any of the safe harbours provisions and satisfies the conditions under the SFO. Before the information is fully disclosed to the public, the Group will ensure that the information is kept strictly confidential. The Group has strictly prohibited unauthorized use of confidential or inside information and established and implemented procedures for responding to external enquiries about the Group's affairs, so that only the designated person are authorized to communicate with parties outside the Group.

## Internal Audit Process

The risk management department plays a crucial role in monitoring the internal governance of the Group and functionally reports directly to the Audit Committee. The risk management department has unfettered access to all necessary information, people, records and outsourced operations across the Group aiming to provide an independent assurance service to the Board, the Audit Committee and management, focusing on reviewing the effectiveness of the governance, risk management and control processes that management has put into place.

A risk-based approach has been adopted by the risk management department. Annual audit plan is formalized based on the result of the risk assessment covering business risk evaluation. The risk assessment methodology assists us in prioritizing business risks and determining audit frequencies, which enables the internal audit review more efficient and focused on the business needs, ensuring that key concerns and significant risks are considered within the scope of the audit. The annual audit plan is reviewed and approved by the Audit Committee at the beginning of each financial year. All findings and rectification on internal control deficiencies are communicated with respective management and/or business units for process improvement, in order to ensure that satisfactory control is maintained. Major audit findings and control deficiencies are reported to the Audit Committee and all rectification plans will be properly followed up by management and/or business units to ensure that they are remediated as intended within a reasonable period; and the status is reported to the Audit Committee.

The Board is responsible for the risk management and internal control systems of the Group and reviewing their effectiveness. The risk management and internal control systems of the Group are designed to manage rather than eliminate the risk of failure to achieve business objectives, and can only provide reasonable and not absolute assurance against material misstatement or loss.

## Sustainable Development

The Board authorizes the Sustainable Development Management Committee (the “Sustainable Development Committee”) to be responsible for overall supervision of ESG management of the Group. The Sustainable Development Committee is responsible for developing ESG strategy and regularly reviewing its implementation, identifying and evaluation ESG risks and develop response plans. The Board will continue to pay attention to the sustainable development trend, strengthen the assessment of ESG material issues, discuss and determine the risks and opportunities of the Group, and take the key issues as the annual key work of sustainable development.

## Whistle-blowing Channel

Sino-Ocean Group aims at all times to act ethically and with integrity, and to implant this behavior in all its employees. The Group has adopted a “Sino-Ocean Group Code of Conduct on Integrity”, which is posted on the Company’s website ([www.sinooceangroup.com](http://www.sinooceangroup.com)). Through the “Sino-Ocean Group Code of Conduct on Integrity”, all relevant persons (including employees, suppliers and business partners) are encouraged to file complaints and/or report any discipline violating behavior by the employees and the Directors of Sino-Ocean Group, including dishonest operations, power abuse, negligence and dereliction of duty and violations of operation and management rules.

Case(s) can be submitted by post, addressed to the Company’s principal place of business in Beijing for the attention to the risk management center or by email (email address: [fengxianjc@sinooceangroup.com](mailto:fengxianjc@sinooceangroup.com)). All whistleblowing cases (if any) will be handled by the risk management department of the Company and the investigation results will be reported to the Audit Committee.

## INDEPENDENT AUDITOR

The Group's independent auditor is PricewaterhouseCoopers ("PwC"). PwC is responsible for auditing and forming an independent opinion on the Group's annual consolidated financial statements. Apart from the statutory audit of the annual consolidated financial statements, PwC was also engaged to perform a review of the interim consolidated financial statements of the Group for the six months ended 30 June 2021.

For the year ended 31 December 2021, remunerations payable to PwC for the provision of statutory audit services and non-auditing services amounted to RMB11.4 million and RMB5.3 million respectively. Details of the fees paid/payable in respect of the audit and non-audit services provided by PwC for the year ended 31 December 2021 are set out in the table below:

Services rendered	RMB (million)
Statutory audit services:	
Annual audit	11.4
Non-audit services:	
Review of interim financial information	3.7
Other non-audit services	1.6

## COMPANY SECRETARY

The Company Secretary is responsible for ensuring that board procedures comply with all applicable laws, rules and regulations and advising the Board on corporate governance and other matters. Moreover, the Company Secretary is responsible for keeping all Directors updated on the Listing Rules, regulatory requirements, as well as internal codes of conduct of the Company, organizing general meetings of the Company and facilitating the induction and professional development of the Directors. The Company Secretary reports to the Board through the Chairman whilst all Directors have access to the advice and services of the Company Secretary.

The Company Secretary possesses professional qualification and extensive experience in discharging his duties as the Company Secretary and he is an employee of the Company. During the year under review, the Company Secretary has taken not less than 15 hours of relevant professional training in compliance with Rule 3.29 of the Listing Rules.

## CONSTITUTIONAL DOCUMENTS

There was no change in the Company's constitutional documents during the year ended 31 December 2021.



## SHAREHOLDERS' RIGHTS AND COMMUNICATION

As one of the measures to safeguard the interests and rights of the Shareholders, separate resolutions are proposed at Shareholders' meetings on every substantial matter, including the election of individual Directors, for Shareholders' consideration and voting. Furthermore, the Company regards the AGM and general meetings as an important event and the Directors, the Chairman of the Board, chairman of each Board Committee, senior management, external auditors and external advisers (where necessary) make efforts to attend the AGM or general meetings of the Company to address the Shareholders' queries. All resolutions proposed at Shareholders' meetings will be voted by poll. The poll voting results will be posted on the websites of the Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company ([www.sinooceangroup.com](http://www.sinooceangroup.com)) on the same day of the relevant general meetings.

The notice of AGM and general meetings specifying the place, the date and the time of meeting and, in the case of special business, the general nature of such business shall be sent to Shareholders at least 21 clear days and 14 clear days before the meeting, respectively in accordance with the Articles.

Shareholder(s) representing at least 5% of the total voting rights of all Shareholders can make a requisition to convene a general meeting pursuant to Section 566 of the Companies Ordinance. The requisition must state the objects of the meeting, and must be signed by the relevant shareholder(s) and deposited at the registered office of the Company. Besides, Section 580 and Section 615 of the Companies Ordinance provide that (i) shareholder(s) of the company representing at least 2.5% of the total voting rights of all the shareholders of the company who have a relevant right to vote; or (ii) at least 50 shareholders who have a relevant right to vote can put forward proposals for consideration at a general meeting by sending requests in writing to the Company.

Shareholders have the right to put enquiries to the Board. All enquiries shall be in writing and sent by post to the registered office of the Company for the attention of the Company Secretary.

The Chairman ensures that appropriate steps are taken to provide effective communication with the Shareholders and that their views are communicated to the Board as a whole. The Board has adopted a shareholders communication policy reflecting the current practices of the Company for communication with the Shareholders. Such policy aims at ensuring the Shareholders are provided with ready, equal and timely access to balanced and understandable information about the Company, in order to enable Shareholders to exercise their rights in an informed manner and to enhance communication between the Company and the Shareholders.

The Company adheres to high standards with respect to the disclosure of its financial statements. To foster two-way communication amongst the Company, the Shareholders and potential investors, the Company has also established an Investor Relations Department to respond to enquiries from Shareholders and the public. In addition, the Company is committed to maximizing the use of its website as a channel to provide updated information in a timely manner and strengthen the communication with both the Shareholders and the public. Further information about investor relations is set out in the section headed "Investor Relations" of this annual report.

# INDEPENDENT AUDITOR'S REPORT

## To the Shareholders of Sino-Ocean Group Holding Limited

*(incorporated in Hong Kong with limited liability)*

## OPINION

### What we have audited

The consolidated financial statements of Sino-Ocean Group Holding Limited (the "Company") and its subsidiaries (the "Group"), which are set out on pages 124 to 255, comprise:

- \* the consolidated balance sheet as at 31 December 2021;
- \* the consolidated income statement for the year then ended;
- \* the consolidated statement of comprehensive income for the year then ended;
- \* the consolidated statement of changes in equity for the year then ended;
- \* the consolidated cash flow statement for the year then ended; and
- \* the notes to the consolidated financial statements, which include significant accounting policies and other explanatory information.

### Our opinion

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2021, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and have been properly prepared in compliance with the Hong Kong Companies Ordinance.

## BASIS FOR OPINION

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSA") issued by the HKICPA. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Independence

We are independent of the Group in accordance with the HKICPA's Code of Ethics for Professional Accountants (the "Code"), and we have fulfilled our other ethical responsibilities in accordance with the Code.

## KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matters identified in our audit are summarised as follows:

- \* Recoverability of entrusted loans and amounts due from third parties, joint ventures, associates and non-controlling interests
- \* Valuation of investment properties

Key Audit Matter	How our audit addressed the Key Audit Matter
<p><i>Recoverability of entrusted loans and amounts due from third parties, joint ventures, associates and non-controlling interests (collectively, the "Counterparties")</i></p> <p>Refer to Note 21 to the consolidated financial statements</p> <p>As at 31 December 2021, the balance of entrusted loans and amounts due from the Counterparties is approximately RMB62,430 million, and the accumulated allowance amounted to approximately RMB224 million has been recognised.</p> <p>Such amounts were provided to the Counterparties for the launch and development of the projects of real estate.</p> <p>The Group took into account reasonable and substantiated historical data such as principal and interest payment schedule, ageing of the balance, repayment history, subsequent repayment and financial information of the Counterparties, and available forward-looking information to determine whether or not the credit risk has significantly increased since initial recognition and to calculate expected credit losses.</p> <p>We focus on this area due to the assessment of the recoverability of entrusted loans and amounts due from the Counterparties involves significant management judgements and estimates as it involves the consideration of a number of factors including financial position of the Counterparties, historical data and forward-looking information.</p>	<p>We obtained an understanding of the management's internal control and assessment process of recoverability of entrusted loans and amounts due from the Counterparties and assessed the inherent risk of material misstatement by considering the degree of estimation uncertainty and level of other inherent risk factors such as complexity, subjectivity and changes.</p> <p>We evaluated the outcome of prior period assessment of the recoverability of entrusted loans and amounts due from the Counterparties to assess the effectiveness of management's estimation process.</p> <p>We evaluated and tested, on a sample basis, the key management controls over the assessment on recoverability of entrusted loans and amounts due from the Counterparties.</p> <p>We had interviews with the management to get knowledge of each of the Counterparties and the development status of the projects as cooperated with the Counterparties. We performed site visits to the projects of real estate, on a sample basis, to collaborate with the understanding from management.</p>

**Key Audit Matter****How our audit addressed the Key Audit Matter**

We evaluated and tested the historical data used by the management to determine whether or not the credit risk has significantly increased since initial recognition and to calculate expected credit losses.

We inquired with management and challenged the reasonableness of their judgements and estimations on the recoverability of amounts due from the Counterparties, the adequacy of the impairment provision and adjustment due to the current and forward-looking information on macroeconomic factors. We evaluated and tested on the information and evidence collected by management for the purpose of their assessment.

We assessed the adequacy of the disclosures related to recoverability of entrusted loans and amounts due from the Counterparties in the context of the applicable financial reporting framework.

We found the judgements and estimates made by the management in the assessment of recoverability of entrusted loans and amounts due from the Counterparties were supportable by the evidence obtained and procedures performed.

**Key Audit Matter***Valuation of investment properties*

Refer to Note 12 to the consolidated financial statements

The Group's investment properties were measured at fair value and carried at approximately RMB6,441 million as at 31 December 2021 with a fair value loss of approximately RMB64 million for the year then ended. The fair values of investment properties were determined by the management based on the valuations performed by independent professional valuers (the "Valuers") engaged by the Group.

The Group's investment properties as at 31 December 2021 are all completed investment properties in Mainland China and the United States.

The valuation of these investment properties was derived using the income capitalization method and the relevant key assumptions as adopted in the valuation primarily included capitalization rates and prevailing market rents.

All the relevant key assumptions were influenced by the prevailing market conditions and each property's characteristics.

We focus on this area due to the significant quantum to the consolidated financial statements, and the relevant key assumptions in valuation involved significant judgements and estimates.

**How our audit addressed the Key Audit Matter**

We obtained an understanding of the management's internal control and assessment process of the valuation of investment properties and assessed the inherent risk of material misstatement by considering the degree of estimation uncertainty and level of other inherent risk factors such as complexity, subjectivity and changes.

We evaluated and tested, on a sample basis, the key management controls over the valuation of investment properties.

We assessed the competence, capabilities and objectivity of the Valuers.

We obtained the valuation report of each property and assessed the appropriateness of the valuation methods applied.

We assessed the reasonableness of relevant key assumptions used in valuation (including capitalization rates and prevailing market rents) by gathering and analysing the data of comparable properties in the market and characteristics of the Group's properties such as location, size, occupancy rate, current rental and age.

We involved our internal valuation specialists to assist us in assessing the methodologies used by the Valuers and compared the valuations of investment properties, on a sample basis, to our independently formed market expectations.

In light of the above, we found the significant judgements and estimates made by management on the valuation of investment properties were in the acceptable range.

## OTHER INFORMATION

The directors of the Company are responsible for the other information. The other information comprises all of the information included in the annual report other than the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## RESPONSIBILITIES OF DIRECTORS AND AUDIT COMMITTEE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The directors of the Company are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with HKFRSs issued by the HKICPA and the Hong Kong Companies Ordinance, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

The Audit Committee of the Company is responsible for overseeing the Group's financial reporting process.

## AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. We report our opinion solely to you, as a body, in accordance with Section 405 of the Hong Kong Companies Ordinance and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSA's will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with HKSA, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- \* Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- \* Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- \* Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- \* Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- \* Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- \* Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with the Audit Committee of the Company regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Audit Committee of the Company with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Audit Committee of the Company, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Wong Cheuk Kay.

**PricewaterhouseCoopers**

*Certified Public Accountants*

Hong Kong, 23 March 2022



# CONSOLIDATED BALANCE SHEET

		As at 31 December	
	Note	2021 RMB'000	2020 RMB'000
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	7	<b>3,204,097</b>	2,475,703
Right-of-use assets	8	<b>406,749</b>	140,286
Land use rights	9	<b>197,949</b>	177,320
Intangible assets	10	<b>219,074</b>	108,746
Goodwill	11	<b>378,198</b>	147,415
Investment properties	12	<b>6,441,213</b>	12,055,798
Investments in joint ventures	14	<b>25,290,806</b>	21,218,447
Investments in associates	15	<b>6,730,935</b>	6,696,748
Financial assets at fair value through other comprehensive income	17	<b>6,234,811</b>	6,751,919
Financial assets at fair value through profit or loss	18	<b>4,924,143</b>	5,063,770
Trade and other receivables and prepayments	21	<b>12,506,992</b>	12,289,424
Deferred income tax assets	32	<b>1,983,856</b>	1,772,655
<b>Total non-current assets</b>		<b>68,518,823</b>	68,898,231
<b>Current assets</b>			
Properties under development	19	<b>81,334,265</b>	74,718,502
Inventories, at cost		<b>779,431</b>	667,794
Land development cost recoverable	20	<b>1,283,191</b>	1,268,872
Completed properties held for sale	22	<b>23,498,303</b>	18,074,742
Financial assets at fair value through profit or loss	18	<b>563,118</b>	11,160
Trade and other receivables and prepayments	21	<b>77,969,815</b>	51,197,152
Contract assets		<b>226,052</b>	923,600
Restricted bank deposits	23	<b>5,423,573</b>	4,799,837
Cash and cash equivalents	24	<b>21,655,471</b>	39,129,442
<b>Total current assets</b>		<b>212,733,219</b>	190,791,101
<b>Total assets</b>		<b>281,252,042</b>	259,689,332

	Note	As at 31 December 2021 RMB'000	2020 RMB'000
<b>EQUITY</b>			
<b>Equity attributable to owners of the Company</b>			
Capital	25	<b>27,329,232</b>	27,329,232
Shares held for Restricted Share Award Scheme	25	<b>(52,317)</b>	(179,840)
Reserves	27	<b>(87,891)</b>	400,974
Retained earnings	26	<b>27,884,787</b>	26,098,570
		<b>55,073,811</b>	53,648,936
<b>Non-controlling interests</b>		<b>21,373,558</b>	16,256,391
<b>Total equity</b>		<b>76,447,369</b>	69,905,327
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Borrowings	31	<b>73,556,834</b>	56,269,855
Lease liabilities	8	<b>361,241</b>	97,418
Trade and other payables	33	<b>19,167</b>	18,269
Deferred income tax liabilities	32	<b>2,201,998</b>	3,312,966
<b>Total non-current liabilities</b>		<b>76,139,240</b>	59,698,508
<b>Current liabilities</b>			
Borrowings	31	<b>18,667,628</b>	25,933,873
Lease liabilities	8	<b>65,832</b>	50,513
Trade and other payables	33	<b>55,235,731</b>	57,527,155
Contract liabilities	34	<b>42,348,003</b>	34,318,360
Income tax payable		<b>11,964,046</b>	12,065,543
Financial liabilities at fair value through profit or loss	35	<b>384,193</b>	190,053
<b>Total current liabilities</b>		<b>128,665,433</b>	130,085,497
<b>Total liabilities</b>		<b>204,804,673</b>	189,784,005
<b>Total equity and liabilities</b>		<b>281,252,042</b>	259,689,332

Approved by the Board of Directors of the Company on 23 March 2022 and signed on its behalf by:

**LI Ming**  
Executive Director

**WANG Honghui**  
Executive Director

The notes on pages 132 to 255 are an integral part of these consolidated financial statements.

# CONSOLIDATED INCOME STATEMENT

	Note	Year ended 31 December	
		2021 RMB'000	2020 RMB'000
Revenue	6	<b>64,247,332</b>	56,510,626
Cost of sales	38	<b>(52,989,257)</b>	(46,053,384)
<b>Gross profit</b>		<b>11,258,075</b>	10,457,242
Interest and other income	36	<b>2,249,551</b>	2,393,988
Other gains — net	37	<b>76,267</b>	1,334,593
Fair value losses on investment properties	12	<b>(63,862)</b>	(156,045)
Selling and marketing expenses	38	<b>(1,664,606)</b>	(1,293,120)
Administrative expenses	38	<b>(1,954,854)</b>	(1,815,995)
<b>Operating profit</b>		<b>9,900,571</b>	10,920,663
Finance costs	40	<b>(2,238,690)</b>	(2,110,906)
Share of results of joint ventures		<b>1,572,808</b>	982,999
Share of results of associates		<b>562,425</b>	257,558
<b>Profit before income tax</b>		<b>9,797,114</b>	10,050,314
Income tax expense	41	<b>(4,705,828)</b>	(5,367,439)
<b>Profit for the year</b>		<b>5,091,286</b>	4,682,875
<b>Attributable to:</b>			
Owners of the Company		<b>2,729,143</b>	2,866,283
Non-controlling interests		<b>2,362,143</b>	1,816,592
		<b>5,091,286</b>	4,682,875
<b>Earnings per share attributable to owners of the Company during the year</b> (expressed in RMB)			
<b>Basic earnings per share</b>	42	<b>0.358</b>	0.376
<b>Diluted earnings per share</b>	42	<b>0.358</b>	0.376

The notes on pages 132 to 255 are an integral part of these consolidated financial statements.

## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Year ended 31 December	
	2021 RMB'000	2020 RMB'000
<b>Profit for the year</b>	<b>5,091,286</b>	4,682,875
<b>Other comprehensive income</b>		
<b>Items that will not be reclassified to profit or loss</b>		
Fair value losses on financial assets at fair value through other comprehensive income, net of tax	(307,251)	(20,609)
<b>Items that may be reclassified to profit or loss</b>		
Currency translation differences	254,949	760,361
Deferred hedging gains and losses	5,171	(62,017)
Share of other comprehensive income of investments accounted for using the equity method	12,545	–
<b>Other comprehensive (loss)/income for the year</b>	<b>(34,586)</b>	677,735
<b>Total comprehensive income for the year, net of tax</b>	<b>5,056,700</b>	5,360,610
<b>Total comprehensive income attributable to:</b>		
— Owners of the Company	2,825,695	3,552,705
— Non-controlling interests	2,231,005	1,807,905
	<b>5,056,700</b>	5,360,610

The notes on pages 132 to 255 are an integral part of these consolidated financial statements.

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Note	Attributable to owners of the Company					Non-controlling interests			
		Share capital RMB'000	Shares held for Restricted Share Award Scheme RMB'000	Other reserves RMB'000	Retained earnings RMB'000	Total RMB'000	Capital instrument RMB'000	Perpetual subordinated capital securities RMB'000	Others RMB'000	Total equity RMB'000
<b>Balance at 31 December 2020</b>		27,329,232	(179,840)	400,974	26,098,570	53,648,936	4,359,000	4,144,189	7,753,202	69,905,327
Profit for the year		-	-	-	2,729,143	2,729,143	339,850	197,643	1,824,650	5,091,286
Fair value losses on financial assets at fair value through other comprehensive income, net of tax		-	-	(307,251)	-	(307,251)	-	-	-	(307,251)
Deferred hedging gains and losses		-	-	5,171	-	5,171	-	-	-	5,171
Currency translation differences		-	-	386,087	-	386,087	-	(131,138)	-	254,949
Share of other comprehensive income of investments accounted for using the equity method		-	-	12,545	-	12,545	-	-	-	12,545
<b>Total comprehensive income, net of tax</b>		-	-	96,552	2,729,143	2,825,695	339,850	66,505	1,824,650	5,056,700
<b>Transactions with owners of the company</b>										
Dividends relating to 2020	43	-	-	-	(571,239)	(571,239)	-	-	-	(571,239)
Dividends relating to 2021	43	-	-	-	(347,595)	(347,595)	-	-	-	(347,595)
Expenses on share-based payment	27	-	-	72,160	-	72,160	-	-	-	72,160
Transfer from retained earnings	27	-	-	24,092	(24,092)	-	-	-	-	-
Vesting of shares under Restricted Share Award Scheme	25	-	137,176	(137,176)	-	-	-	-	-	-
Purchase of shares for Restricted Share Award Scheme	25	-	(9,653)	-	-	(9,653)	-	-	-	(9,653)
Distribution relating to capital instrument		-	-	-	-	-	(339,850)	-	-	(339,850)
Distribution relating to non-controlling interest		-	-	-	-	-	-	-	(380,066)	(380,066)
Distribution relating to capital securities		-	-	-	-	-	-	(197,643)	-	(197,643)
Capital injection from non-controlling interests		-	-	-	-	-	-	-	3,098,679	3,098,679
<b>Total contributions by and distributions to owners of the company</b>		-	127,523	(40,924)	(942,926)	(856,327)	(339,850)	(197,643)	2,718,613	1,324,793
Acquisition of subsidiaries		-	-	-	-	-	-	-	899,978	899,978
Disposal of subsidiaries		-	-	-	-	-	-	-	(285,927)	(285,927)
Acquisition and disposal of partial interests in subsidiaries		-	-	(544,493)	-	(544,493)	-	-	90,991	(453,502)
<b>Total transactions with owners of the company</b>		-	127,523	(585,417)	(942,926)	(1,400,820)	(339,850)	(197,643)	3,423,655	1,485,342
<b>Balance at 31 December 2021</b>		27,329,232	(52,317)	(87,891)	27,884,787	55,073,811	4,359,000	4,013,051	13,001,507	76,447,369

	Note	Attributable to owners of the Company					Non-controlling interests			
		Share capital RMB'000	Shares held for Restricted Share Award Scheme RMB'000	Other reserves RMB'000	Retained earnings RMB'000	Total RMB'000	Capital instrument RMB'000	Perpetual subordinated guaranteed capital securities RMB'000	Others RMB'000	Total equity RMB'000
<b>Balance at 31 December 2019</b>		27,329,232	(167,227)	(1,132,536)	23,877,717	49,907,186	981,000	4,364,526	10,358,383	65,611,095
Profit for the year		–	–	–	2,866,283	2,866,283	266,554	206,286	1,343,752	4,682,875
Fair value losses on financial assets at fair value through other comprehensive income, net of tax		–	–	(20,609)	–	(20,609)	–	–	–	(20,609)
Deferred hedging gains and losses		–	–	(62,017)	–	(62,017)	–	–	–	(62,017)
Currency translation differences		–	–	769,048	–	769,048	–	(220,337)	211,650	760,361
<b>Total other comprehensive income, net of tax</b>		–	–	686,422	2,866,283	3,552,705	266,554	(14,051)	1,555,402	5,360,610
<b>Transactions with owners of the company</b>										
Dividends relating to 2019		–	–	–	(181,298)	(181,298)	–	–	–	(181,298)
Dividends relating to 2020	43	–	–	–	(416,333)	(416,333)	–	–	–	(416,333)
Expenses on share-based payment	27	–	–	223,719	–	223,719	–	–	–	223,719
Transfer from retained earnings	27	–	–	47,799	(47,799)	–	–	–	–	–
Vesting of shares under Restricted Share Award Scheme	25	–	2,218	(2,218)	–	–	–	–	–	–
Purchase of shares for Restricted Share Award Scheme	25	–	(14,831)	–	–	(14,831)	–	–	–	(14,831)
Distribution relating to capital instrument		–	–	–	–	–	(266,554)	–	–	(266,554)
Distribution relating to non-controlling interest		–	–	–	–	–	–	–	(626,012)	(626,012)
Distribution relating to capital securities		–	–	–	–	–	–	(206,286)	–	(206,286)
Issue of capital instrument		–	–	–	–	–	3,378,000	–	–	3,378,000
Contribution from non-controlling interests		–	–	627,755	–	627,755	–	–	1,266,964	1,894,719
Capital reduction of subsidiaries		–	–	–	–	–	–	–	(3,460,000)	(3,460,000)
Cancellation of convertible preferred shares issued by the subsidiary		–	–	(44,001)	–	(44,001)	–	–	44,001	–
<b>Total contributions by and distributions to owners of the company</b>		–	(12,613)	853,054	(645,430)	195,011	3,111,446	(206,286)	(2,775,047)	325,124
Acquisition of subsidiaries		–	–	–	–	–	–	–	606,411	606,411
Partial disposal of subsidiaries		–	–	(12,328)	–	(12,328)	–	–	(1,738,711)	(1,751,039)
Acquisition of additional interests in subsidiaries		–	–	6,362	–	6,362	–	–	(253,236)	(246,874)
<b>Total transactions with owners of the company</b>		–	(12,613)	847,088	(645,430)	189,045	3,111,446	(206,286)	(4,160,583)	(1,066,378)
<b>Balance at 31 December 2020</b>		27,329,232	(179,840)	400,974	26,098,570	53,648,936	4,359,000	4,144,189	7,753,202	69,905,327

The notes on pages 132 to 255 are an integral part of these consolidated financial statements.

# CONSOLIDATED CASH FLOW STATEMENT

	Note	Year ended 31 December	
		2021 RMB'000	2020 RMB'000
<b>Cash flows from operating activities</b>			
Cash generated from operations	44	<b>1,949,378</b>	20,296,875
Interest paid		<b>(4,622,495)</b>	(4,615,849)
Income tax paid		<b>(5,270,388)</b>	(4,264,467)
Net cash (used in)/generated from operating activities		<b>(7,943,505)</b>	11,416,559
<b>Cash flows from investing activities</b>			
Purchases of property, plant and equipment		<b>(265,638)</b>	(596,681)
Proceeds from sale of property, plant and equipment		<b>10,959</b>	17,463
Purchases of investment properties		<b>(55,725)</b>	(26,442)
Purchases of intangible assets		<b>(31,844)</b>	(46,148)
Purchases of financial assets at fair value through profit or loss		<b>(636,197)</b>	(615,314)
Proceeds from disposal of financial assets at fair value through profit or loss		<b>362,096</b>	579,296
Dividends received from financial instruments	36	<b>175,637</b>	226,121
Acquisition of subsidiaries, net of cash acquired		<b>(19,277)</b>	(8,933)
Increase/(decrease) due to disposal of interests in subsidiaries, net of cash disposed		<b>1,659,200</b>	(1,291,165)
Capital injection to joint ventures		<b>(2,854,280)</b>	(6,597,645)
Proceeds from disposal of joint ventures		<b>315,017</b>	338,088
Capital injection to associates	15	<b>(575,681)</b>	(822,584)
Proceeds from disposal of interests in associates		<b>7,159</b>	813,584
Dividends received from joint ventures and associates		<b>1,969,757</b>	230,492
Entrusted loans to third parties and related parties		<b>(25,325,561)</b>	(14,189,181)
Repayment of entrusted loans to third parties and related parties		<b>20,394,999</b>	12,918,342
The amounts advanced to related parties	50	<b>(85,693,914)</b>	(104,290,411)
The amounts repaid from related parties	50	<b>75,758,809</b>	113,685,716
Interest received		<b>2,121,388</b>	1,949,422
Net cash (used in)/generated from investing activities		<b>(12,683,096)</b>	2,274,020

	Note	Year ended 31 December	
		2021 RMB'000	2020 RMB'000
<b>Cash flows from financing activities</b>			
Proceeds from borrowings		<b>53,770,649</b>	39,553,849
Repayments of borrowings		<b>(51,357,619)</b>	(44,955,093)
Capital reduction from non-controlling interests		–	(3,460,000)
Capital injection from non-controlling interests		<b>3,098,679</b>	1,744,719
Dividends paid to non-controlling interests		<b>(380,066)</b>	(626,012)
Dividends paid to the shareholders of the Company		<b>(918,834)</b>	(181,298)
Distribution relating to capital securities		<b>(197,643)</b>	(206,286)
Purchase of shares for Restricted Share Award Scheme		<b>(9,653)</b>	(14,831)
Issue of capital instruments	30	–	3,378,000
Consideration paid for transaction with non-controlling interests		<b>(333,174)</b>	(246,874)
Distribution relating to capital instrument		<b>(339,850)</b>	(266,554)
Payments of lease liabilities		<b>(109,660)</b>	(85,846)
Net cash generated from/(used in) financing activities		<b>3,222,829</b>	(5,366,226)
(Decrease)/increase in cash and cash equivalents		<b>(17,403,772)</b>	8,324,353
Cash and cash equivalents at beginning of the year	24	<b>39,129,442</b>	31,054,201
Exchange losses on cash and cash equivalents		<b>(70,199)</b>	(249,112)
Cash and cash equivalents at end of the year	24	<b>21,655,471</b>	39,129,442

The notes on pages 132 to 255 are an integral part of these consolidated financial statements.



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 1 GENERAL INFORMATION

Sino-Ocean Group Holding Limited (the “Company”) is a limited liability company incorporated in Hong Kong on 12 March 2007. The address of its registered office is Suite 601, One Pacific Place, 88 Queensway, Hong Kong. The Company and its subsidiaries (together, the “Group”) are principally engaged in investment holding, property development and property investment in the People’s Republic of China (the “PRC”).

The consolidated financial statements are presented in Renminbi (“RMB”), unless otherwise stated. The Company’s shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited.

The consolidated financial statements have been approved for issue by the Board of Directors on 23 March 2022.

## 2 BASIS OF PREPARATION

The consolidated financial statements have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards (“HKFRS”) and requirements of the Hong Kong Companies Ordinance Cap. 622. They have been prepared under the historical cost convention, as modified by the revaluation of investment properties, financial assets and liabilities at fair value through profit or loss, financial assets at fair value through other comprehensive income, which are carried at fair values.

The preparation of the consolidated financial statements in conformity with HKFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Group’s accounting policies.

## 3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of the consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

### 3.1 Changes in accounting policy and disclosures

#### (a) New and amended standards adopted by the Group

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

Interest Rate Benchmark Reform — Phase 2 — amendments to HKFRS 9, HKAS 39, HKFRS 7, HKFRS 4 and HKFRS 16

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

### 3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### 3.1 Changes in accounting policy and disclosures (Continued)

##### (b) New standards and interpretations not yet adopted by the Group

Certain new accounting standards and interpretations have been published that are not mandatory for the reporting period ended 31 December 2021 and have not been early adopted by the Group. These standards are not expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

#### 3.2 Subsidiaries

##### 3.2.1 Consolidation

A subsidiary is an entity (including a structured entity) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

##### (a) Business combinations

The Group applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. The Group recognises any non-controlling interest in the acquiree on an acquisition-by-acquisition basis, either at fair value or at the non-controlling interest's proportionate share of the recognised amounts of acquiree's identifiable net assets.

Acquisition-related costs are expensed as incurred.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is re-measured to fair value at the acquisition date; any gains or losses arising from such re-measurement are recognised in profit or loss.

### 3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 3.2 Subsidiaries (Continued)

##### 3.2.1 Consolidation (Continued)

(a) Business combinations (Continued)

Any contingent consideration to be transferred by the Group is recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration that is deemed to be an asset or liability is recognised in accordance with HKAS 39 either in profit or loss or as a change to other comprehensive income (OCI). Contingent consideration that is classified as equity is not remeasured, and its subsequent settlement is accounted for within equity.

The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the identifiable net assets acquired is recorded as goodwill. If the total of consideration transferred, non-controlling interest recognised and previously held interest measured is less than the fair value of the net assets of the subsidiary acquired in the case of a bargain purchase, the difference is recognised directly in the income statement.

Intra-group transactions, balances and unrealized gains on transactions between group companies are eliminated unless the transaction provides evidence of an impairment of the transferred asset. Unrealized losses are also eliminated. When necessary, amounts reported by subsidiaries have been adjusted to conform with the Group's accounting policies.

(b) Changes in ownership interests in subsidiaries without change of control

Transactions with non-controlling interests that do not result in loss of control are accounted for as equity transactions — that is, as transactions with the owners of the subsidiary in their capacity as owners. The difference between fair value of any consideration paid and the relevant share acquired of the carrying amount of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

(c) Disposal of interests in subsidiaries

When the Group ceases to have control, any retained interest in the entity is remeasured to its fair value at the date when control is lost, with the change in carrying amount recognised in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

### 3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 3.2 Subsidiaries (Continued)

##### 3.2.2 Separate financial statements

Investments in subsidiaries are accounted for at cost less impairment. Cost includes direct attributable costs of investment. The results of subsidiaries are accounted for by the company on the basis of dividend received and receivable.

Impairment testing of the investments in subsidiaries is required upon receiving a dividend from these investments if the dividend exceeds the total comprehensive income of the subsidiary in the period the dividend is declared or if the carrying amount of the investment in the separate financial statements exceeds the carrying amount in the consolidated financial statements of the investee's net assets including goodwill.

#### 3.3 Joint arrangements

Under HKFRS 11 investments in joint arrangements are classified as either joint operations or joint ventures depending on the contractual rights and obligations of each investor. The Group has assessed the nature of its joint arrangements and determined them to be joint ventures. Joint ventures are accounted for using the equity method.

Under the equity method of accounting, interests in joint ventures are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses and movements in other comprehensive income. When the Group's share of losses in a joint venture equals or exceeds its interests in the joint ventures (which includes any long-term interests that, in substance, form part of the Group's net investment in the joint ventures), the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the joint ventures.

Unrealized gains on transactions between the Group and its joint ventures are eliminated to the extent of the Group's interest in the joint ventures. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of the joint ventures have been changed where necessary to ensure consistency with the policies adopted by the Group.

#### 3.4 Associates

An associate is an entity over which the Group has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting. Under the equity method, the investment is initially recognized at cost, and the carrying amount is increased or decreased to recognise the investor's share of the profit or loss of the investee after the date of acquisition. The Group's investment in associates includes goodwill identified on acquisition.

If the ownership interest in an associate is reduced but significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income are reclassified to profit or loss where appropriate.

### 3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 3.4 Associates (Continued)

The Group's share of post-acquisition profits or losses is recognised in the consolidated income statement, and its share of post-acquisition movements in other comprehensive income is recognised in other comprehensive income with a corresponding adjustment to the carrying amount of the investment. When the Group's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the Group does not recognise further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the associate.

The Group determines at each reporting date whether there is any objective evidence that the investment in the associate is impaired. If this is the case, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value and recognises the amount adjacent to 'share of profit of investments accounted for using equity method' in the consolidated income statement.

Profits and losses resulting from upstream and downstream transactions between the Group and its associate are recognised in the Group's financial statements only to the extent of unrelated investor's interests in the associates. Unrealized losses are eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates have been changed where necessary to ensure consistency with the policies adopted by the Group.

Gains or losses on dilution of equity interest in associates are recognised in the consolidated income statement.

When the Group begins to have significant influence but not control over another entity as a result of increasing its stake or having representation on the board, an existing investment becomes an associate for the first time, the investment in the associate is initially recognised at the cost of each purchase plus a share of investee's profits or losses which is recognised in the consolidated income statement and other comprehensive income which is recognised in other comprehensive income, and acquisition-related costs are deemed as part of the cost of investment. Any existing gains or losses recognised in respect of the previously held the investment are reversed to restate the investment to cost.

#### 3.5 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the executive directors of the Company that makes strategic decisions.

#### 3.6 Foreign currency translation

##### (a) Functional and presentation currency

Items included in the financial statements of each of the Group entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The consolidated financial statements are presented in RMB, which is the functional currency of the Company and its subsidiaries and the presentation currency of the Group.

The Group identifies the functional currency of each subsidiary for the purpose of defining that entity's foreign currency exposure. Different entities within the Group may have different functional currencies. Judgement is required in determining an entity's functional currency based on individual facts and circumstances.

### 3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 3.6 Foreign currency translation (Continued)

##### (b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the date of the transactions or valuation where items are remeasured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the consolidated income statement. All the foreign exchange gains and losses are presented in the income statement within “other gains — net”.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example, translation differences on non-monetary assets and liabilities such as equities held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss and translation differences on non-monetary assets such as equities classified as fair value through other comprehensive income are recognised in other comprehensive income.

##### (c) Group companies

The results and financial position of all the Group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- (i) assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet;
- (ii) income and expenses for each income statement are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the rate on the dates of the transactions); and
- (iii) all resulting exchange differences are recognised in other comprehensive income.

#### 3.7 Properties

##### (a) Investment properties

Investment properties, principally comprising leasehold land and buildings, are held for long-term rental yields or for capital appreciation or both, and that are not occupied by the Group. It also includes properties that are being constructed or developed for future use as investment properties. Land held under leases are classified and accounted for as investment property when the rest of the definition of investment property is met. Investment property is initially measured at cost, including related transaction costs and where applicable borrowing costs.

After initial recognition, investment property is carried at fair value, assessed annually by a professional independent valuer. Fair value is based on active market prices, adjusted, if necessary, for any differences in the nature, location or condition of the specific asset. If such information is not available, the Group uses alternative valuation methods such as recent prices on less active markets or discounted cash flow projections. Investment property that is being redeveloped for continuing use as investment property, or for which the market has become less active, continues to be measured at fair value.

Property that is being constructed or developed as investment property is carried at fair value. Where fair value is not reliably determinable, such investment property under construction is measured at cost until either its fair value becomes reliably determinable or construction is completed (whichever is earlier).

### 3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 3.7 Properties (Continued)

##### (a) Investment properties (Continued)

The fair value of investment property reflects, among other things, rental income from current leases and assumptions about rental income from future leases in light of current market condition.

Subsequent expenditure is charged to the asset's carrying amount only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed in the consolidated income statement during the financial period in which they are incurred.

If an investment property becomes owner-occupied, it is reclassified as property, plant and equipment, and its fair value at the date of reclassification becomes its cost for accounting purposes.

If an item of property, plant and equipment becomes an investment property because its use has changed, any differences resulting between the carrying amount and the fair value of this item at the date of transfer is recognised in equity as a revaluation of property, plant and equipment under HKAS 16. However, if a fair value gain reverses a previous impairment loss, the gain is recognised in the consolidated income statement.

##### (b) Land use rights

Land in China mainland is state-owned and no individual land ownership right exists. The Group acquired the rights to certain land, and the premiums paid for such rights are recorded as land use rights. Land use rights are classified and accounted for in accordance to the intended use of respective properties as erected on the land.

For properties that are held for own use, corresponding land use rights are separately stated in the balance sheet, and are stated at cost and amortized over the use terms of 40 to 70 years using the straight-line method.

For properties that are held for development and subsequent sale, corresponding land use rights are accounted for as part of the development costs, and are accounted for under Note 3.13.

#### 3.8 Property, plant and equipment

Property, plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment losses, if any. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the consolidated income statement during the financial period in which they are incurred.

Depreciation on property, plant and equipment is calculated using the straight-line method to allocate their costs to their residual values over their estimated useful lives, as follows:

Buildings and leasehold improvements	5–50 years
Machinery	5–15 years
Vehicles	4–10 years
Office equipment	3–5 years
Electronic equipment	3–20 years

### 3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 3.8 Property, plant and equipment (Continued)

Leasehold improvements' estimated useful life is shorter of remaining lease term or useful life. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (Note 3.10).

Gains and losses on disposals are determined by comparing proceeds with carrying amounts. These are recognised within "other gains — net", in the consolidated income statement.

Construction-in-progress represents buildings, machinery under construction and is stated at cost. Cost includes the costs of construction of buildings, the cost of plant and machinery, installation, testing and other direct costs incurred during the development period. No provision for depreciation is made on construction-in-progress until such time as the relevant assets are completed and ready for intended use. The carrying amount of a construction-in-progress is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (Note 3.10). When the assets concerned get ready for their intended use, the costs are depreciated in accordance with the policy as stated above.

#### 3.9 Goodwill

Goodwill arises on the acquisition of subsidiaries, associates and joint ventures and represents the excess of the consideration transferred over the Group's interest in net fair value of the net identifiable assets, liabilities and contingent liabilities of the acquiree and the fair value of the non-controlling interests in the acquiree.

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the cash-generated units ("CGUs"), or groups of CGUs, that is expected to benefit from the synergies of the combination. Each unit or group of units to which the goodwill is allocated represents the lowest level within the entity at which the goodwill is monitored for internal management purposes. Goodwill is monitored at the operating segment level.

Goodwill impairment reviews are undertaken annually or more frequently if events or changes in circumstances indicate a potential impairment. The carrying value of goodwill is compared to the recoverable amount, which is the higher of value in use and the fair value less costs of disposal. Any impairment is recognised immediately as an expense and is not subsequently reversed.

#### 3.10 Impairment of non-financial assets

Assets that have an indefinite useful life or are not yet available for use are not subject to amortization and are tested annually for impairment. Assets that are subject to amortization are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generated units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.



### 3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 3.11 Financial assets

##### 3.11.1 Classification

The Group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through OCI, or through profit or loss), and
- those to be measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or OCI. For investments in equity instruments that are not held for trading, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income (FVOCI).

The Group reclassifies debt investments when and only when its business model for managing those assets changes.

##### 3.11.2 Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the Group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

##### 3.11.3 Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

##### Debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Group classifies its debt instruments:

- **Amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains/(losses), together with foreign exchange gains and losses. Impairment losses are presented as separate line item in the statement of profit or loss.

### 3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 3.11 Financial assets (Continued)

##### 3.11.3 Measurement (Continued)

###### Debt instruments (Continued)

- **FVOCI:** Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/(losses). Interest income from these financial assets is included in finance income using the effective interest rate method. Foreign exchange gains and losses are presented in other gains/(losses) and impairment expenses are presented as separate line item in the statement of profit or loss.
- **FVPL:** Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVPL. A gain or loss on a debt investment that is subsequently measured at FVPL is recognised in profit or loss and presented net within other gains/(losses) in the period in which it arises.

###### Equity instruments

The Group subsequently measures all equity investments at fair value. Where the Group's management has elected to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognised in profit or loss as other income when the Group's right to receive payments is established.

Changes in the fair value of financial assets at FVPL are recognised in other gains/(losses) in the statement of profit or loss as applicable. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

##### 3.11.4 Impairment

The Group assesses on a forward-looking basis the expected credit losses associated with its debt instruments carried at amortised cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables, the Group applies the simplified approach permitted by HKFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables, see Note 5(h) for further details.

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where the Group currently has a legally enforceable right to offset the recognised amounts, and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The Group has also entered into arrangements that do not meet the criteria for offsetting but still allow for the related amounts to be set off in certain circumstances, such as bankruptcy or the termination of a contract.

### 3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 3.12 Derivatives and hedging activities

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured to their fair value at the end of each reporting period. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged. The Group designates certain derivatives as either:

- hedges of the fair value of recognised assets or liabilities or a firm commitment (fair value hedges)
- hedges of a particular risk associated with the cash flows of recognised assets and liabilities and highly probable forecast transactions (cash flow hedges), or
- hedges of a net investment in a foreign operation (net investment hedges).

At the inception of the hedging, The Group documents the economic relationship between hedging instruments and hedged items, including whether changes in the cash flows of the hedging instruments are expected to offset changes in the cash flows of hedges items. The Group documents its risk management objective and strategy for undertaking its hedge transactions.

The full fair value of a hedging derivative is classified as a non-current asset or liability when the remaining maturity of the hedged item is more than 12 months; it is classified as a current asset or liability when the remaining maturity of the hedged item is less than 12 months. Trading derivatives are classified as a current asset or liability.

(i) **Cash flow hedges that qualify for hedge accounting**

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in cash flow hedge reserve within equity. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss within other gains/(losses).

Where option contracts are used to hedge forecast transactions, the Group designates only the intrinsic value of the options as the hedging instrument.

Gains or losses relating to the effective portion of the change in intrinsic value of the options are recognised in the cash flow hedge reserve within equity. The changes in the time value of the options that relate to the hedged item ('aligned time value') are recognised within other comprehensive income in the costs of hedging reserve within equity.

When forward contracts are used to hedge forecast transactions, the Group generally designates only the change in fair value of the forward contract related to the spot component as the hedging instrument. Gains or losses relating to the effective portion of the change in the spot component of the forward contracts are recognised in the cash flow hedge reserve within equity. The change in the forward element of the contract that relates to the hedged item ('aligned forward element') is recognised within other comprehensive income in the costs of hedging reserve within equity. In some cases, the entity may designate the full change in fair value of the forward contract (including forward points) as the hedging instrument. In such cases, the gains or losses relating to the effective portion of the change in fair value of the entire forward contract are recognised in the cash flow hedge reserve within equity.

### 3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 3.12 Derivatives and hedging activities (Continued)

##### (i) Cash flow hedges that qualify for hedge accounting (Continued)

Amounts accumulated in equity are reclassified in the periods when the hedged item affects profit or loss, as follows:

- Where the hedged item subsequently results in the recognition of a non-financial asset (such as inventory), both the deferred hedging gains and losses and the deferred time value of the option contracts or deferred forward points, if any, are included within the initial cost of the asset. The deferred amounts are ultimately recognised in profit or loss as the hedged item affects profit or loss (for example through cost of sales).
- The gain or loss relating to the effective portion of the interest rate swaps hedging variable rate borrowings is recognised in profit or loss within finance cost at the same time as the interest expense on the hedged borrowings.

When a hedging instrument expires, or is sold or terminated, or when a hedge no longer meets the criteria for hedge accounting, any cumulative deferred gain or loss and deferred costs of hedging in equity at that time remains in equity until the forecast transaction occurs, resulting in the recognition of a non-financial asset such as inventory. When the forecast transaction is no longer expected to occur, the cumulative gain or loss and deferred costs of hedging that were reported in equity are immediately reclassified to profit or loss.

##### (ii) Net investment hedges

Hedges of net investments in foreign operations are accounted for similarly to cash flow hedges.

Any gain or loss on the hedging instrument relating to the effective portion of the hedge is recognised in other comprehensive income and accumulated in reserves in equity. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss within other gains/(losses).

Gains and losses accumulated in equity are reclassified to profit or loss when the foreign operation is partially disposed of or sold.

##### (iii) Derivatives that do not qualify for hedge accounting

Certain derivative instruments do not qualify for hedge accounting. Changes in the fair value of any derivative instrument that does not qualify for hedge accounting are recognised immediately in profit or loss and are included in other gains/(losses).

#### 3.13 Inventories

##### (a) Properties under development

Properties under development are stated at the lower of cost and net realizable value. Net realizable value is determined by reference to estimated sales proceeds of the properties sold in the ordinary course of business less costs to complete development and estimated selling expenses.

Development costs of properties comprise land use rights, construction costs, borrowing costs and professional fees as incurred during the development period. On completion, all development costs of the properties are transferred to completed properties held for sale.

Costs to fulfill a contract comprise the development cost and land use right cost directly related to an existing contract that will be used to satisfy performance obligations in the future. The costs to fulfill a contract are recorded in properties under development if they are expected to be recovered. The amount is amortised on a systematic basis, consistent with the pattern of revenue recognition of the contract to which the asset relates.

### 3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 3.13 Inventories (Continued)

(b) **Completed properties held for sale**

Completed properties held for sale are completed properties remaining unsold or undelivered at the balance sheet date and are stated at the lower of cost and net realizable values. Cost comprises development costs attributable to the unsold or undelivered properties. Net realizable values is determined by reference to the sale proceeds of properties sold in the ordinary course of business, less applicable variable selling expenses, or by management estimates based on prevailing marketing conditions.

(c) **Other inventories**

Other inventories mainly comprise raw materials for construction. Goods are valued at the lower of cost and net realizable value. Cost, calculated on the weighted average basis, comprises invoiced price, delivery and other direct costs relating to purchases. Net realizable value is determined on the basis of anticipated sales proceeds less estimated selling expenses.

#### 3.14 Trade receivables

Trade receivables are amounts due from customers for properties sold or services performed in the ordinary course of business. If collection of trade receivables is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets.

Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognised at fair value. The Group holds the trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method. See Note 3.11 for further information about the Group's accounting policies.

#### 3.15 Contract assets and contract liabilities

Upon entering into a contract with a customer, the Group obtains rights to receive consideration from the customer and assumes performance obligations to transfer goods or provide services to the customer.

The combination of those rights and performance obligations gives rise to a net asset or a net liability depending on the relationship between the remaining rights and the performance obligations. The contract is an asset and recognised as contract assets if the measure of the remaining rights exceeds the measure of the remaining performance obligations. Conversely, the contract is a liability and recognised as contract liabilities if the measure of the remaining performance obligations exceeds the measure of the remaining rights.

The Group recognises the incremental costs of obtaining a contract with a customer within contract assets if the Group expects to recover those costs.

#### 3.16 Cash and cash equivalents

In the consolidated statement of cash flows, cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less.

#### 3.17 Share capital

Ordinary shares are classified as equity. Incremental cost directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

### 3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 3.18 Capital securities and capital instrument

Capital securities and capital instrument with no contracted obligation to repay its principal nor to pay any distribution are classified as part of equity.

#### 3.19 Trade payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

Trade payables are recognised initially at fair value and subsequently measured at amortized cost using the effective interest method.

#### 3.20 Borrowings and Borrowing costs

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently carried at amortized cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the income statement over the period of the borrowings using the effective interest method.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization. All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

#### 3.21 Current and deferred income tax

The tax expense for the year comprises current and deferred income tax. Tax is recognised in the income statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case the tax is also recognised in other comprehensive income or directly in equity, respectively.

##### 3.21.1 Current income tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries/territories where the Company and its subsidiaries, joint ventures and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

### 3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 3.21 Current and deferred income tax (Continued)

##### 3.21.2 Deferred income tax

Deferred income tax is recognised, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred income tax liabilities are not recognised if they arise from the initial recognition of goodwill, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilized.

Deferred income tax liabilities are provided on taxable temporary differences arising from investments in subsidiaries, joint ventures and associates, except for deferred income tax liability where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future. Generally the Group is unable to control the reversal of the temporary difference for associates. Only where there is an agreement in place that gives the Group the ability to control the reversal of the temporary difference not recognised.

Deferred income tax assets are recognised on deductible temporary differences arising from investments in subsidiaries, associates and joint arrangements only to the extent that it is probable the temporary difference will reverse in the future and there is sufficient taxable profit available against which the temporary difference can be utilized.

##### 3.21.3 Offsetting

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on either the taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

#### 3.22 Employee benefits

##### (a) Employee leave entitlements

Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employee up to the balance sheet date. Employee entitlements to sick leave and maternity leave are not recognised until the time of leave.

##### (b) Bonus entitlements

Expected costs of bonus payments are recognised as liabilities when constructive obligations are present, as a result of services rendered by employees and reliable estimations of the obligations can be made.

### 3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 3.22 Employee benefits (Continued)

##### (c) Retirement benefits

In accordance with the rules and regulations in the PRC, the PRC based employees of the Group participate in various defined contribution retirement plans organized by the relevant municipal and provincial governments in the PRC under which the Group and the PRC based employees are required to make monthly contributions to these plans calculated as a percentage of the employees' salaries.

The municipal and provincial governments undertake to assume the retirement benefit obligations of all existing and future retired PRC based employees payable under the plans described above. Other than the monthly contributions, the Group has no further obligation for the payment of retirement and other post retirement benefits of its employees. The assets of these plans are held separately from those of the Group in independently administrated funds managed by the PRC government.

The Group also participates in a pension scheme under the rules and regulations of the Mandatory Provident Fund Scheme Ordinance ("MPF Scheme") for all employees in Hong Kong. The contributions to the MPF Scheme are based on minimum statutory contribution requirement of the lower of 5% of eligible employees' relevant aggregate income and HKD1,500. The assets of this pension scheme are held separately from those of the Group in independently administered funds.

The Group's contributions to the defined contribution plans are expensed as incurred and not reduced by contributions forfeited by those employees who leave the plans prior to vesting fully in the contributions.

#### 3.23 Share-based payments

The Group operates a number of equity-settled, share-based compensation plans, including "share option scheme" and Restricted Share Award Scheme, under which the entity receives services from employees as consideration for equity instruments (options and shares) of the Group.

##### • Share option scheme

The fair value of the employee services received in exchange for the grant of the options is recognised as an expense. The total amount to be expensed is determined by reference to the fair value of the options granted:

- including any market performance conditions (e.g. the entity's share price)
- excluding the impact of any service and non-market performance vesting conditions (e.g. profitability, sales growth targets and remaining an employee of the entity over a specified time period), and
- including the impact of any non-vesting conditions (e.g. the requirement for employees to save or holdings shares for a specific period of time).

The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each reporting period, the Group revises its estimates of the number of options that are expected to vest based on the non-marketing vesting conditions. The impact of the revision to original estimates, if any, is recognised in the consolidated income statement, with a corresponding adjustment to equity.

The cash subscribed for the shares issued when the options are exercised is credited to share capital, net of any directly attributable transaction costs.



### 3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 3.23 Share-based payments (Continued)

- **Restricted Shares Award Scheme**

The fair value of the employee services received in exchange for the grant of these share-based awards is recognised as an expense. The total amount to be expensed is determined by reference to the fair value of the shares awarded at the grant date.

When Trustee purchases the Company's shares from the open market, the consideration paid, including any directly attributable incremental costs, is presented as "Shares held for Restricted Share Award Scheme" in the consolidated statement of changes in equity and deducted from total equity. When the Trustee transfers the Company's shares to grantees upon vesting, the related costs of the awarded shares are credited to "Shares held for Restricted Share Award Scheme".

At the end of each reporting period, the Group revises its estimates of the number of these share-based awards that are expected to become vested. The impact of the revision to original estimates, if any, is recognised in the consolidated income statement, with a corresponding adjustment to equity.

#### 3.24 Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense.

Financial guarantee contracts are contracts that require the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due, in accordance with the terms of a debt instrument. Such financial guarantees are given to banks, financial institutions and other bodies on behalf of subsidiaries or associates to secure loans, overdrafts and other banking facilities.

Financial guarantees are initially recognised in the financial statements at fair value on the date the guarantee was given. The fair value of a financial guarantee at the time of signature is zero because all guarantees are agreed on arm's length terms, and the value of the premium agreed corresponds to the value of the guarantee obligation. No receivable for the future premiums is recognised. Subsequent to initial recognition, the Group's liabilities under such guarantees are measured at the higher of the amount determined in accordance with the expected credit loss model under HKFRS 9 Financial Instruments and the amount initially recognised loss, where appropriate, the cumulative amount of income recognised in accordance with the principles of HKFRS 15 Revenue from Contracts with Customers. Any increase in the liability relating to guarantees is reported in the income statement within other operating expenses.

Where guarantees in relation to loans or other payables of subsidiaries or associates are provided for no compensation, the fair values are accounted for as contributions and recognised as part of the cost of the investment in the financial statements of the Group.

### 3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 3.25 Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable for the sales of properties and services in the ordinary course of the Group's activities. Revenue is shown, net of discounts and after eliminating sales with the Group companies. The Group recognises revenue when the amount of revenue can be reliably measured; when it is probable that future economic benefits will flow to the entity; and when specific criteria have been met for each of the Group's activities, as described below.

##### (a) Sales of properties and construction services

Revenues are recognised when or as the control of the asset is transferred to the customer. Depending on the terms of the contract and the laws that apply to the contract, control of the asset may transfer over time or at a point in time. Control of the asset is transferred over time if the Group's performance:

- provides all of the benefits received and consumed simultaneously by the customer; or
- creates and enhances an asset that the customer controls as the Group performs; or
- do not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

If control of the asset transfers over time, revenue is recognised over time of the contract by reference to the progress towards complete satisfaction of that performance obligation. Otherwise, revenue is recognised at a point in time when the customer obtains control of the asset.

The progress towards complete satisfaction of the performance obligation is measured based on the Group's efforts or inputs to the satisfaction of the performance obligation, by reference to the contract costs incurred up to the end of reporting period as a percentage of total estimated costs for each contract.

For property development and sales contract for which the control of the property is transferred at a point in time, revenue is recognised when the customer obtains the physical possession or the legal title of the completed property and the Group has present right to payment and the collection of the consideration is probable.

In determining the transaction price, the Group adjusts the promised amount of consideration for the effect of a financing component if it is significant.

For construction services, the Group's performance creates or enhances an asset or work in progress that the customer controls as the asset is created or enhanced, thus the Group satisfies a performance obligation and recognises revenue over time, by reference to completion of the specific transaction assessed on the basis of the actual costs incurred up to the end of the reporting period as a percentage of total estimated costs for each contract.

##### (b) Property management and agency fee income

Property management and agency fee income is recognised in the accounting period in which the services are rendered.

##### (c) Dividend income

Dividend income is recognised when the right to receive payment is established.

### 3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 3.26 Interest income

Interest income on financial assets at amortised cost calculated using the effective interest method is recognised in the income statement as part of other income. Interest income is presented as finance income where it is earned from financial assets that are held for cash management purposes. Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for financial assets that subsequently become credit-impaired. For credit-impaired financial assets the effective interest rate is applied to the net carrying amount of the financial asset (after deduction of the loss allowance).

#### 3.27 Leases

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group.

Contracts may contain both lease and non-lease components. The Group allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices. However, for leases of real estate for which the Group is a lessee, it has elected not to separate lease and non-lease components and instead accounts for these as a single lease component.

Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor. Leased assets may not be used as security for borrowing purposes.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- variable lease payment that are based on an index or a rate, initially measured using the index or rate as at the commencement date
- amounts expected to be payable by the Group under residual value guarantees
- the exercise price of a purchase option if the Group is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the Group exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Group, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

### 3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

#### 3.27 Leases (Continued)

To determine the incremental borrowing rate, the Group:

- where possible, uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received
- uses a build-up approach that starts with a risk-free interest rate adjusted for credit risk for leases held by the Group, which does not have recent third party financing, and
- makes adjustments specific to the lease, e.g. term, country, currency and security.

The Group is exposed to potential future increases in variable lease payments based on an index or rate, which are not included in the lease liability until they take effect. When adjustments to lease payments based on an index or rate take effect, the lease liability is reassessed and adjusted against the right-of-use asset.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs, and
- restoration costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life. While the Group revalues its land and buildings that are presented within property, plant and equipment, it has chosen not to do so for the right-of-use buildings held by the Group.

Payments associated with short-term leases of equipment and vehicles and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less without a purchase option. Low-value assets comprise IT equipment and small items of office furniture.

Lease income from operating leases where the Group is a lessor is recognised in income on a straight-line basis over the lease term. Initial direct costs incurred in obtaining an operating lease are added to the carrying amount of the underlying asset and recognised as expense over the lease term on the same basis as lease income. The respective leased assets are included in the balance sheet based on their nature.

#### 3.28 Dividend distribution

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

## 4 FINANCIAL RISK MANAGEMENT

### 4.1 Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, cash flow interest rate risk and fair value interest rate risk), credit risk and liquidity risk. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Group's financial performance. The Board of directors reviews and approves policies for managing each of these risks and they are summarized below.

#### (a) Market risk

##### (i) Foreign exchange risk

The Group is exposed to foreign exchange risk arising from future commercial transactions and recognised assets and liabilities which are not denominated in the Group's functional currency. Majority of the Group's foreign currency transactions and balances are denominated in Hong Kong dollars ("HKD") and United States dollars ("USD"). The Group currently does not have a foreign currency hedging policy. However, management of the Group monitors foreign exchange exposure and will consider hedging significant foreign currency exposure should the need arises.

Conversion of RMB into foreign currency is subject to the rules and regulations of the foreign exchange control, as promulgated by the PRC government.

As at 31 December 2021, if RMB had weakened/strengthened by 5% against HKD and USD with all other variable held constant, post-tax profit for the year of the Group would have been approximately RMB582,851,000 lower/higher (2020: RMB620,176,000 lower/higher), mainly as the result of the foreign exchange losses/gains on translation of HKD/USD dominated borrowings, net of foreign exchange gains/losses on translation of HKD/USD dominated cash and cash equivalents.

##### (ii) Cash flow and fair value interest rate risk

The Group's income and operating cash flows are substantially independent of changes in market interest rates.

The Group's interest rate risk arises from long-term borrowings with prevailing market interest rates. Such risk is partly offset by cash held at prevailing market interest rates. During 2021 and 2020, the Group's borrowings at prevailing market interest rates were denominated in RMB, HKD and USD.

The Group's fair value interest rate risk relates primarily to its fixed rate borrowing and other payables. The Group currently does not utilize any derivative contracts to hedge its exposure to interest rate risk. However, management will consider hedging significant interest rate exposure should the need arise.

As at 31 December 2021, if interest rates have increased/decreased by 50 basis points with all other variables held constant, the Group's post-tax profit, after taking into account the impact of interest capitalization, would decrease/increase by approximately RMB28,815,000 (2020: RMB24,494,000).

##### (iii) Price risk

The Group's exposure to equity securities price risk arises from investments held by the Group and classified as financial assets at FVOCI and FVPL. The Group monitors the pricing change of these equity securities during each reporting period to manage the price risk.

#### (b) Credit risk

Credit risk refers to the risk that the counterparty to a financial instrument would fail to discharge the obligation under the terms of financial instrument and cause a financial loss to the Group. The Group considered the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an on-going basis throughout each reporting period. To assess whether there's a significant increase in credit risk, the Group compares the risk of a default occurring on the asset at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forward-looking information.

## 4 FINANCIAL RISK MANAGEMENT (Continued)

### 4.1 Financial risk factors (Continued)

#### (b) Credit risk (Continued)

Especially the following indicators are incorporated:

- internal credit rating
- actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the debtor's ability to meet its obligations
- actual or expected significant changes in the operating results of the debtor
- significant increases in credit risk on other financial instruments of the same debtor
- significant changes in the expected performance and behaviour of the debtor, including changes in the payment status of debtors and changes in the operating results of the debtor.

#### (i) Cash in banks

The Group expects that there is no significant credit risk associated with cash deposits at banks since they are substantially deposited with state-owned banks and other medium or large size listed banks. Management does not expect that there will be any significant losses from non-performance by these counterparties.

#### (ii) Trade receivables and contract assets

The Group applies the simplified approach to providing for expected credit losses prescribed by HKFRS 9, which permits the use of the lifetime expected loss provision for trade receivables and contract assets. To measure the expected credit losses, trade receivables and contract assets have been grouped based on shared credit risk characteristics and the days past due. The expected credit loss also incorporate forward-looking information.

As at 31 December 2021, the loss allowance was determined as follows for trade receivables and contract assets:

	Within 6 months RMB'000	Between 6 months to 1 year RMB'000	Between 1 year to 2 years RMB'000	Between 2 years to 3 years RMB'000	Over 3 years RMB'000	Total RMB'000
Expected loss rate	1.0%	1.7%	2.9%	7.7%	49.1%	2.4%
Gross carrying amount						
— trade receivables	3,747,552	980,880	1,144,667	214,573	99,186	6,186,858
Gross carrying amount						
— contract assets	229,013	—	—	—	—	229,013
Loss allowance						
— trade receivables and contract assets	38,570	17,033	32,683	16,526	48,729	153,541

## 4 FINANCIAL RISK MANAGEMENT (Continued)

### 4.1 Financial risk factors (Continued)

#### (b) Credit risk (Continued)

##### (ii) Trade receivables and contract assets (Continued)

As at 31 December 2020, the loss allowance was determined as follows for trade receivables and contract assets:

	Within 6 months RMB'000	Between 6 months to 1 year RMB'000	Between 1 year to 2 years RMB'000	Between 2 years to 3 years RMB'000	Over 3 years RMB'000	Total RMB'000
Expected loss rate	1.3%	1.9%	5.3%	20.3%	88.9%	3.0%
Gross carrying amount						
— trade receivables	2,765,858	865,767	606,844	80,743	54,328	4,373,540
Gross carrying amount						
— contract assets	935,689	—	—	—	—	935,689
Loss allowance						
— trade receivables and contract assets	47,371	16,877	32,383	16,374	48,282	161,287

Trade receivables and contract assets are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the Group. The Group made written-off of approximately RMB56,024,000 for trade receivables and contract assets during the year ended 31 December 2021.

##### (iii) Other receivables

The Group uses three categories for other receivables which reflect their credit risk and how the loss provision is determined for each of those categories.

A summary of the assumptions underpinning the Group's expected credit loss model is as follows:

Category	Company definition of category	Basis for recognition of expected credit loss provision
Stage one	Customers have a low risk of default and a strong capacity to meet contractual cash flows.	12 months expected losses. Where the expected lifetime of an asset is less than 12 months, expected losses are measured at its expected lifetime.
Stage two	Receivables for which there is a significant increase in credit risk since initial recognition.	Lifetime expected losses.
Stage three	Receivables for which there is a credit loss since initial recognition.	Lifetime expected losses.

## 4 FINANCIAL RISK MANAGEMENT (Continued)

### 4.1 Financial risk factors (Continued)

#### (b) Credit risk (Continued)

##### (iii) Other receivables (Continued)

The Group accounts for its credit risk by appropriately providing for expected losses on a timely basis. In calculating the expected credit loss rates, the Group considers historical loss rates for each category of receivables and adjusts for forward looking macroeconomic data.

Since credit risk has not significantly increased after initial recognition, the loss allowance recognised was therefore limited to 12 months expected losses.

As at 31 December 2021, the loss allowance was determined as follows for other receivables:

	Entrusted loans to and amount due from third parties, joint ventures, associates and non-controlling interests RMB'000	Receivables from other third parties excluding prepayments RMB'000	Total RMB'000
Carrying amount of other receivables	62,430,346	11,455,090	73,885,436
Expected credit loss rate	0.36%	1.03%	0.46%
Loss allowance	224,234	118,104	342,338
Other receivables, net	62,206,112	11,336,986	73,543,098

As at 31 December 2020, the loss allowance was determined as follows for other receivables:

	Entrusted loans to and amount due from third parties, joint ventures, associates and non-controlling interests RMB'000	Receivables from other third parties excluding prepayments RMB'000	Total RMB'000
Carrying amount of other receivables	40,866,247	10,297,810	51,164,057
Expected credit loss rate	0.32%	0.90%	0.43%
Loss allowance	129,838	92,499	222,337
Other receivables, net	40,736,409	10,205,311	50,941,720

Other receivables are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the Group. The Group made written-off of approximately RMB69,000 for other receivables during the year ended 31 December 2021.



## 4 FINANCIAL RISK MANAGEMENT (Continued)

### 4.1 Financial risk factors (Continued)

#### (b) Credit risk (Continued)

##### (iv) Financial guarantee

The Group has policies in place to ensure that sales are made to purchasers with an appropriate financial strength and appropriate percentage of down payments. The Group has arranged bank financing for certain purchasers of the Group's property units and provided guarantees to secure obligations of such purchasers for repayments. If a purchaser defaults on the payment of its mortgage loan during the guarantee period, the bank holding the guarantee may demand the Group to repay the outstanding principal of the loan and any interest accrued thereon. Under such circumstances, the Group is able to forfeit the customer's deposit and resell the property to recover any amounts paid by the Group to the bank. In this regard, the directors consider that the Group's credit risk is significantly reduced.

The Group also provides guarantees to certain related parties of the Group to obtain borrowings after assessing the credit history 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 and the financial guarantees measured at fair value is immaterial.

#### (c) Liquidity risk

Cash flow forecasting is performed in the operating entities of the Group in and aggregated by the finance department of the Group. The finance department of the Group monitors rolling forecasts of the Group's liquidity requirements to ensure it has sufficient cash to meet operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities at all times so that the Group does not breach borrowing limits or covenants (where applicable) on any of its borrowing facilities. Such forecasting process takes into consideration the Group's debt financing plans, covenant compliance, compliance with internal balance sheet ratio targets.

The table below analyses the Group's non-derivative financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date. The amount disclosed in the table is the contractual undiscounted cash flows.

	Less than 1 year RMB'000	Between 1 and 2 years RMB'000	Between 2 and 5 years RMB'000	Over 5 years RMB'000	Total RMB'000
<b>At 31 December 2021</b>					
Borrowings	22,330,160	19,493,006	52,242,641	11,301,374	105,367,181
Lease liabilities	84,154	69,042	109,896	338,496	601,588
Trade and other payables excluding statutory liabilities	48,752,423	–	19,167	–	48,771,590
	<b>71,166,737</b>	<b>19,562,048</b>	<b>52,371,704</b>	<b>11,639,870</b>	<b>154,740,359</b>

## 4 FINANCIAL RISK MANAGEMENT (Continued)

### 4.1 Financial risk factors (Continued)

#### (c) Liquidity risk (Continued)

	Less than 1 year RMB'000	Between 1 and 2 years RMB'000	Between 2 and 5 years RMB'000	Over 5 years RMB'000	Total RMB'000
At 31 December 2020					
Borrowings	29,413,230	19,752,537	30,862,855	13,468,844	93,497,466
Lease liabilities	51,769	39,075	44,337	37,885	173,066
Trade and other payables excluding statutory liabilities	54,341,506	–	18,269	–	54,359,775
	83,806,505	19,791,612	30,925,461	13,506,729	148,030,307

The amounts have not included financial guarantee contracts:

- which the Group could be required to settle under the arrangement for the full guaranteed amount if that amount is claimed by the counterparty to the guarantee for loans procured by the purchasers of the Group's properties (Note 45). Such guarantees terminate upon the earlier of (i) issuance of the real estate ownership certificate which will generally be available within an average period of two to three years upon the completion of guarantee registration; or (ii) the satisfaction of mortgaged loan by the purchasers of properties;
- which the Group make for its cooperation parties' bank borrowings (Note 31). Such guarantees terminate upon the repayment of relevant bank borrowings.

Based on expectations at the end of the reporting period, the Group considers that it is more likely than not that no amount will be payable under the arrangement.

### 4.2 Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, issue new shares or sell assets to reduce debt.

Consistent with others in the industry, the Group monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Total capital is calculated as "equity" as shown in the consolidated balance sheet plus net debt.

## 4 FINANCIAL RISK MANAGEMENT (Continued)

### 4.2 Capital risk management (Continued)

The gearing ratios at 31 December 2021 and 2020 were as follows.

	As at 31 December	
	2021 RMB'000	2020 RMB'000
Total borrowings (Note 31)	92,224,462	82,203,728
Less: cash and cash equivalents (Note 24)	(21,655,471)	(39,129,442)
Net debt	70,568,991	43,074,286
Total equity	76,447,369	69,905,327
Total capital	147,016,360	112,979,613
Gearing ratio	48%	38%

The increase in gearing ratio in 2021 is primarily due to the increase in borrowings and decrease in cash and cash equivalents which is mainly attributed to the net cash used in operating activities and investing activities.

### 4.3 Fair value estimation

The table below analyses financial instatements carried at fair value, by valuation method. The different levels have been defined as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1).
- Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (Level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (Level 3).

The following table presents the Group's assets or liabilities that are measured at fair value at 31 December 2021 and 2020. See Note 12 for disclosures of the investment properties that are measured at fair value.

	Level 1 RMB'000	Level 2 RMB'000	Level 3 RMB'000	Total RMB'000
<b>At 31 December 2021</b>				
<b>Assets</b>				
Financial assets at fair value through profit or loss (Note 18)	174,145	423,863	4,889,253	5,487,261
Financial assets at fair value through other comprehensive income (Note 17)	290,823	–	5,943,988	6,234,811
	464,968	423,863	10,833,241	11,722,072
<b>Liabilities</b>				
Financial liabilities at fair value through profit or loss (Note 35)	–	(384,193)	–	(384,193)

## 4 FINANCIAL RISK MANAGEMENT (Continued)

### 4.3 Fair value estimation (Continued)

	Level 1 RMB'000	Level 2 RMB'000	Level 3 RMB'000	Total RMB'000
At 31 December 2020				
<b>Assets</b>				
Financial assets at fair value through profit or loss (Note 18)	11,160	889,956	4,173,814	5,074,930
Financial assets at fair value through other comprehensive income (Note 17)	488,890	573,004	5,690,025	6,751,919
	500,050	1,462,960	9,863,839	11,826,849
<b>Liabilities</b>				
Financial liabilities at fair value through profit or loss (Note 35)	–	(190,053)	–	(190,053)

During the period, there were no significant changes in the business or economic circumstances that may affect the fair value of the Group's financial assets and financial liabilities.

(a) **Financial instruments in Level 1**

The fair value of financial instruments traded in active markets is based on quoted market prices at the balance sheet date. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. The quoted market price used for financial assets held by the Group is the current bid price. These instruments are included in Level 1. Instruments included in Level 1 comprise primarily the listed United States and HKSE equity investments classified as financial assets at fair value through profit or loss and financial assets at fair value through other comprehensive income.

(b) **Financial instruments in Level 2**

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2. Instruments included in Level 2 comprise primarily equity fund, the underlying portfolio invested by equity fund are all listed equity shares, the valuation of equity fund is determined based on the quoted market price of listed equity shares.

(c) **Financial instruments in Level 3**

If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3.

The Group's policy is to recognise transfers into and transfers out of fair value hierarchy Levels as of the date of the event or change in circumstances that caused the transfer.

## 4 FINANCIAL RISK MANAGEMENT (Continued)

### 4.3 Fair value estimation (Continued)

#### (c) Financial instruments in Level 3 (Continued)

The following table presents the changes in Level 3 instruments for the year ended 31 December 2021.

	Financial asset at fair value through other comprehensive income and through profit or loss RMB'000
<b>Financial assets in Level 3</b>	
Opening balance	9,863,839
Addition	1,045,530
Increase due to disposal of a subsidiary (Note 17)	346,649
Increase due to acquisition of a subsidiary	39,000
Fair value losses	(315,852)
Currency translation difference	(96,921)
Disposal	(49,004)
Closing balance	10,833,241

The following table presents the changes in Level 3 instruments for the year ended 31 December 2020.

	Financial asset at fair value through other comprehensive income and through profit or loss RMB'000
<b>Financial assets in Level 3</b>	
Opening balance	7,261,978
Addition	616,000
Increase due to disposal of a subsidiary (Note 17)	3,643,025
Fair value gains	127,017
Decrease due to disposal of a subsidiary	(1,169,231)
Currency translation difference	(92,088)
Disposal	(522,862)
Closing balance	9,863,839

## 4 FINANCIAL RISK MANAGEMENT (Continued)

### 4.3 Fair value estimation (Continued)

#### (d) Information about Level 3 fair value measurements

The following tables summarise the quantitative information about the significant unobservable inputs used in Level 3 fair value measurement of equity fund investments and unlisted equity investments.

As at 31 December 2021 and 2020, the underlying portfolio invested by equity fund are all properties located in Mainland China, United States and Hong Kong, the valuation of equity fund investment is determined based on the valuation of properties.

Description	Valuation technique	Significance unobservable inputs	Range/ value	Relationship of unobservable inputs to fair value
Unlisted fund investments which principally invests in residential and commercial real estate	Market Approach	Premium or discount for quality of properties (e.g. location, view, size, condition and time of the properties)	-10% to 10%	The higher discount rate, the lower fair value
		Lack of marketability discount	9% to 25%	The higher discount rate, the lower fair value
	Income Approach	Discount rate	9.11%	The higher discount rate, the lower fair value
Unlisted fund investments which invests in real estate related project	Market Approach	Premium or discount for quality of properties (e.g. location, view, size, condition and time of the properties)	-3% to 20%	The higher discount rate, the lower fair value
	Income Approach	Discount rate	9.11%	The higher discount rate, the lower fair value

As at 31 December 2021 and 2020, the significant unlisted equity investments are mainly include perpetual and preferred equity instruments issued by Associates of the Group.

Description	Valuation technique	Significance unobservable inputs	Range/ value	Relationship of unobservable inputs to fair value
Unlisted equity investments	Income Approach	Discount rate	1.16%–7.46%	The higher discount rate, the lower fair value

## 4 FINANCIAL RISK MANAGEMENT (Continued)

### 4.3 Fair value estimation (Continued)

#### (e) Valuation process

The finance department of the Group includes a team that performs the valuations of Level 3 financial instruments required for financial reporting purposes. The finance department of the Group reviews the valuations performed by the independent valuers for financial reporting purposes and reports directly to the senior management. Discussions of valuation processes and results are held between the management and valuers after each valuation by the independent qualified valuers, which is normally done once every six months, in line with the Group's interim and annual reporting dates.

The components of the Level 3 instruments mainly include investments in private investment funds, listed and unlisted companies. As these instruments are not traded in an active market, their fair values have been determined using various applicable valuation techniques, including discounted cash flows and comparable transactions approaches. Major assumptions used in the valuation include historical financial results, assumptions about future growth rates, estimate of discount rate and recent market transactions etc. The fair values of these instruments determined by the Group requires significant judgement, including the financial performance of the investee company, market value of comparable properties as well as discount rate, etc.

## 5 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

#### (a) Estimate of fair value of investment properties

The fair value of investment properties is determined by using valuation technique. Details of the judgment and assumptions have been disclosed in Note 12.

#### (b) Income taxes and land appreciation tax ("LAT")

The Group is primarily subject to various PRC taxes, as it is principally engaged in property development in the PRC. Significant judgment is required in determining the provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Company recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred income tax provisions in the period in which such determination is made.

The implementation and settlement of LAT varies among various tax jurisdictions in cities of the PRC. LAT is levied at progressive rates ranging from 30% to 60% on the appreciation of land value, being the proceeds from sales of properties less deductible expenditures including land use rights, borrowing costs, business taxes, property development and other related expenditures. These taxes are incurred upon transfer of property ownership.

Significant judgment is required in determining the extent of land appreciation and its related taxes. The Group recognised LAT based on management's best estimates according to the understanding of the tax rules. The final tax outcome could be different from the amounts that were initially recorded, and these differences will impact the consolidated income statement in the periods in which such taxes are finalized with local tax authorities.

## 5 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (Continued)

### (c) Deferred income tax

Deferred income tax assets relating to certain temporary differences and tax losses are recognised when management considers it probable that future taxable profit will be available against which the temporary differences or tax losses can be utilized. The outcome of their actual utilization may be different.

### (d) Estimations for total properties construction cost

The Group estimates properties construction cost upon recognition of respective costs of sales. Such estimates are substantiated by detailed budgetary information as developed by the management, and will be assessed periodically, as the constructions progress. Should these estimates depart from their actual finalized costs, such differences would affect the accuracy of costs of sales recognised.

### (e) Revenue recognition

Revenue from sales of properties is recognised over time when the Group's performance do not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date; otherwise, revenue is recognised at a point in time when the buyer obtains control of the completed property. The Group may not change or substitute the property unit or redirect the property unit for another use due to the contractual restrictions with the customer and thus the property unit does not have an alternative use to the Group. However, whether there is an enforceable right to payment depends on the terms of sales contract and the interpretation of the applicable laws that apply to the contract. Such determination requires significant judgments. The Group has obtained legal counsel opinion regarding the enforceability of the right to payment for sales contracts. Management uses judgments, based on legal counsel opinion, to classify sales contracts into those with right to payment and those without the right.

The Group recognises property development revenue over time by reference to the progress towards complete satisfaction of the performance obligation at the reporting date. The progress is measured based on the Group's efforts or inputs to the satisfaction of the performance obligation, by reference to the contract costs incurred up to the end of reporting period as a percentage of total estimated costs for each property unit in the contract. The Group calculated the cost allocation based on type of properties, gross and saleable floor areas. Significant judgments and estimations are required in determining the completeness of the estimated total costs and the accuracy of progress towards complete satisfaction of the performance obligation at the reporting date. Changes in cost estimates in future periods can have effect on the Group's revenue recognised. In making the above estimations, the Group relies on past experience and work of contractors and, if appropriate, surveyors.

### (f) Estimated impairment of non-financial assets

Non-financial assets are reviewed for impairment, whenever events or changes in circumstances that may cause the carrying amounts of the assets to exceed their recoverable amounts. The recoverable amount of an asset or a cash generating unit is determined as the higher of cash generating unit's fair value less cost to sell and its value-in-use which requires the use of assumptions and estimates.



## 5 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (Continued)

### (g) Estimate impairment of properties under development and completed properties held for sale

Property under development and completed properties held for sale is reviewed by management for impairment, whenever events or changes in circumstances indicate that the carrying amount may be higher than net realisable value. The net realisable value is the higher of estimated selling price of the properties in the ordinary course of business, less estimated costs to complete the development of properties (applicable to properties under development) and applicable variable selling expenses and carrying amount of the properties under development and completed properties held for sale. Management makes judgments on whether such events or changes in circumstances have occurred, and makes estimates mainly for selling price and cost to complete the development of the properties (applicable to properties under development) in determining the net realisable value.

### (h) Impairment of financial assets

The loss allowances for financial assets are based on assumptions about risk of default and expected loss rates. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period. Details of the key assumptions and inputs used are disclosed in the tables in Note 4.

## 6 SEGMENT INFORMATION

Management has determined the operating segments based on the reports reviewed by the executive directors of the Company who make strategic decisions.

The executive directors of the Company considers the business from both a geographic and product perspective. From the product perspective, the management considers the performance of property development, property management and property investment. Property development businesses are further segregated geographically.

Other operations as carried out by the Group mainly are property sales agency services and upfitting services. These are not included within the reportable operating segments, as they are not included in the reports provided to the executive directors of the Company. The results of these operations are included in the "All other segments" column.

The executive directors of the Company assesses the performance of the operating segments based on a measure of operating profit. This measurement basis excludes the effects of other gains/losses from the operating segments. Finance costs and corporate finance income are not included in the result for each operating segment that is reviewed by the executive directors of the Company, as they are driven by activities of the central treasury function, which manages the cash position of the Group. The measure also excludes the effects of any share of profits/losses from investments in joint ventures and associates as well as fair value gains/losses from investment properties and corporate overheads. Other information provided to the executive directors of the Company, except as noted below, is measured in a manner consistent with that in the financial statements.

Total segment assets exclude corporate cash and cash equivalents, investments in joint ventures and associates, financial assets at fair value through other comprehensive income, financial assets at fair value through profit or loss and deferred income tax assets, all of which are managed on a central basis. Total segment liabilities exclude borrowings, deferred income tax liabilities and financial liabilities at fair value through profit or loss, all of which are managed on a central basis as well. These are part of the reconciliation to total balance sheet assets and liabilities.

## 6 SEGMENT INFORMATION (Continued)

The segment information provided to the executive directors of the Company for the reportable segments for the years ended 31 December 2021 and 2020 is as follows:

	Property development						Property investment	Property management	All other segments	Total
	Beijing	Bohai Rim Region	Eastern China	Southern China	Central China	Western China				
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
<b>Year ended 31 December 2021</b>										
Total revenue	10,661,357	8,463,618	11,857,705	11,571,912	9,370,075	3,237,363	419,035	2,965,559	11,095,095	69,641,719
Inter-segment revenue	-	-	-	(32,080)	-	-	(9,405)	(435,410)	(4,917,492)	(5,394,387)
<b>Revenue (from external customers)</b>	<b>10,661,357</b>	<b>8,463,618</b>	<b>11,857,705</b>	<b>11,539,832</b>	<b>9,370,075</b>	<b>3,237,363</b>	<b>409,630</b>	<b>2,530,149</b>	<b>6,177,603</b>	<b>64,247,332</b>
<b>Segment operating profit</b>	<b>544,926</b>	<b>2,457,322</b>	<b>2,273,764</b>	<b>1,214,294</b>	<b>1,044,032</b>	<b>261,555</b>	<b>233,705</b>	<b>153,944</b>	<b>2,245,009</b>	<b>10,428,551</b>
Depreciation and amortization (Note 38)	(13,214)	(1,531)	(6,955)	(9,524)	(1,213)	(2,118)	(48)	(29,272)	(218,833)	(282,708)
<b>Year ended 31 December 2020</b>										
Total revenue	5,498,635	7,537,069	16,055,887	8,850,958	8,031,296	3,673,354	503,070	2,023,319	8,309,781	60,483,369
Inter-segment revenue	-	(29,762)	-	-	-	-	(9,374)	(259,805)	(3,673,802)	(3,972,743)
<b>Revenue (from external customers)</b>	<b>5,498,635</b>	<b>7,507,307</b>	<b>16,055,887</b>	<b>8,850,958</b>	<b>8,031,296</b>	<b>3,673,354</b>	<b>493,696</b>	<b>1,763,514</b>	<b>4,635,979</b>	<b>56,510,626</b>
<b>Segment operating profit</b>	<b>655,830</b>	<b>2,300,445</b>	<b>2,712,843</b>	<b>1,342,111</b>	<b>957,140</b>	<b>243,170</b>	<b>312,774</b>	<b>125,946</b>	<b>1,907,091</b>	<b>10,557,350</b>
Depreciation and amortization (Note 38)	(15,696)	(528)	(282)	(6,758)	(1,550)	(3,585)	(438)	(27,521)	(92,591)	(148,949)

## 6 SEGMENT INFORMATION (Continued)

	Property development						Property investment	Property management	All other segments	Total
	Beijing	Bohai Rim Region	Eastern China	Southern China	Central China	Western China				
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
<b>As at 31 December 2021</b>										
<b>Total segment assets</b>	<b>14,193,182</b>	<b>28,698,044</b>	<b>23,095,005</b>	<b>31,067,543</b>	<b>33,984,311</b>	<b>5,343,727</b>	<b>7,153,348</b>	<b>3,505,593</b>	<b>88,406,107</b>	<b>235,446,860</b>
Additions to non-current assets (other than financial instruments and deferred income tax assets)	1,097	4,621	7,189	9,150	4,111	2,353	16,172	78,378	2,216,713	2,339,784
<b>Total segment liabilities</b>	<b>6,446,310</b>	<b>19,822,624</b>	<b>16,555,536</b>	<b>17,822,890</b>	<b>20,004,168</b>	<b>3,729,717</b>	<b>358,291</b>	<b>1,335,528</b>	<b>23,918,956</b>	<b>109,994,020</b>
<b>As at 31 December 2020</b>										
<b>Total segment assets</b>	23,829,030	25,071,789	26,666,760	29,019,396	16,134,961	5,288,440	11,725,479	2,892,049	77,108,873	217,736,777
Additions to non-current assets (other than financial instruments and deferred income tax assets)	1,169	1,006	41	1,456	1,256	1,060	271,081	9,638	875,990	1,162,697
<b>Total segment liabilities</b>	13,415,767	20,901,800	15,995,054	16,635,162	8,117,380	3,271,978	1,439,601	997,900	23,302,616	104,077,258

A reconciliation of segment operating profit to profit before income tax is provided as follows:

	Year ended 31 December	
	2021	2020
	RMB'000	RMB'000
Segment operating profit	<b>10,428,551</b>	10,557,350
Corporate finance income	<b>2,649</b>	59,663
Corporate overheads	<b>(543,034)</b>	(874,898)
Fair value losses on investment properties (Note 12)	<b>(63,862)</b>	(156,045)
Other gains — net (Note 37)	<b>76,267</b>	1,334,593
Finance costs (Note 40)	<b>(2,238,690)</b>	(2,110,906)
Share of results of joint ventures	<b>1,572,808</b>	982,999
Share of results of associates	<b>562,425</b>	257,558
<b>Profit before income tax</b>	<b>9,797,114</b>	10,050,314

## 6 SEGMENT INFORMATION (Continued)

Reportable and other segments' assets and liabilities are reconciled to total assets and liabilities as follows:

	As at 31 December	
	2021 RMB'000	2020 RMB'000
Total segment assets	<b>235,446,860</b>	217,736,777
Corporate cash and cash equivalents	<b>77,513</b>	437,856
Investments in joint ventures (Note 14)	<b>25,290,806</b>	21,218,447
Investments in associates (Note 15)	<b>6,730,935</b>	6,696,748
Financial assets at fair value through other comprehensive income (Note 17)	<b>6,234,811</b>	6,751,919
Financial assets at fair value through profit or loss (Note 18)	<b>5,487,261</b>	5,074,930
Deferred income tax assets (Note 32)	<b>1,983,856</b>	1,772,655
<b>Total assets per consolidated balance sheet</b>	<b>281,252,042</b>	259,689,332
Total segment liabilities	<b>109,994,020</b>	104,077,258
Current borrowings (Note 31)	<b>18,667,628</b>	25,933,873
Non-current borrowings (Note 31)	<b>73,556,834</b>	56,269,855
Deferred income tax liabilities (Note 32)	<b>2,201,998</b>	3,312,966
Financial liabilities at fair value through profit or loss (Note 35)	<b>384,193</b>	190,053
<b>Total liabilities per consolidated balance sheet</b>	<b>204,804,673</b>	189,784,005

For the year ended 31 December 2021, included in the revenue of sales of properties, approximately RMB54,210,558,000 (2020: RMB44,378,836,000) was recognised as a point in time, approximately RMB919,392,000 (2020: RMB5,238,601,000) was recognised over time.

The Company is incorporated in Hong Kong, with most of its major subsidiaries domiciled in the PRC. Revenues from external customers of the Group are mainly derived in the PRC for the years ended 31 December 2021 and 2020.

As at 31 December 2021, total non-current assets (other than financial instruments and deferred income tax assets) located in the PRC amounted to approximately RMB42,622,070,000 (2020: RMB42,772,506,000), total non-current assets located in Hong Kong and in the United States amounted to approximately RMB4,675,000 (2020: RMB6,536,000) and approximately RMB242,276,000 (2020: RMB241,421,000), respectively.

For the years ended 31 December 2021 and 2020, the Group does not have any single customer with the transaction value over 10% of the total external sales.

## 7 PROPERTY, PLANT AND EQUIPMENT

	Buildings and leasehold improvements RMB'000	Machinery RMB'000	Vehicles RMB'000	Office equipment RMB'000	Electronic equipment RMB'000	Construction in progress RMB'000	Total RMB'000
<b>Year ended 31 December 2021</b>							
Opening net book amount	885,056	2,990	9,129	28,013	41,521	1,508,994	2,475,703
Additions	68,513	3,085	1,592	9,594	11,240	171,614	265,638
Acquisition of subsidiaries	670,915	–	588	1,763	509,048	13,025	1,195,339
Transfer	138,377	–	–	–	–	(138,377)	–
Transfer from investment properties (Note 12)	48,943	–	–	–	–	–	48,943
Transfer to properties under development (Note 19)	(92,380)	–	–	–	–	(520,911)	(613,291)
Disposals	–	–	(294)	(13,115)	(120)	–	(13,529)
Depreciation charge (Note 38)	(60,580)	(811)	(4,086)	(22,164)	(60,847)	–	(148,488)
Disposal of interests in subsidiaries	(2,437)	–	–	(81)	(3,700)	–	(6,218)
Closing net book amount	1,656,407	5,264	6,929	4,010	497,142	1,034,345	3,204,097
<b>At 31 December 2021</b>							
Cost	1,867,259	9,749	54,625	120,047	614,916	1,034,345	3,700,941
Accumulated depreciation	(210,852)	(4,485)	(47,696)	(116,037)	(117,774)	–	(496,844)
Net book amount	1,656,407	5,264	6,929	4,010	497,142	1,034,345	3,204,097
<b>Year ended 31 December 2020</b>							
Opening net book amount	713,872	2,425	12,692	35,978	46,373	963,980	1,775,320
Additions	3,844	959	2,982	8,306	10,490	570,100	596,681
Acquisition of subsidiaries	–	82	39	54	811	–	986
Transfer	211,360	–	–	–	–	(211,360)	–
Transfer from properties under development (Note 19)	–	–	–	–	–	211,360	211,360
Transfer to properties under development (Note 19)	–	–	–	–	–	(23,948)	(23,948)
Disposals	(8,701)	(96)	(2,214)	(1,530)	(1,561)	(1,138)	(15,240)
Depreciation charge (Note 38)	(29,950)	(380)	(4,313)	(14,514)	(12,317)	–	(61,474)
Disposal of interests in subsidiaries	(5,369)	–	(57)	(281)	(2,275)	–	(7,982)
Closing net book amount	885,056	2,990	9,129	28,013	41,521	1,508,994	2,475,703
<b>At 31 December 2020</b>							
Cost	1,035,337	6,664	55,305	122,813	115,846	1,508,994	2,844,959
Accumulated depreciation	(150,281)	(3,674)	(46,176)	(94,800)	(74,325)	–	(369,256)
Net book amount	885,056	2,990	9,129	28,013	41,521	1,508,994	2,475,703

## 7 PROPERTY, PLANT AND EQUIPMENT (Continued)

Depreciation expenses of approximately RMB130,198,000 (2020: RMB51,232,000) and approximately RMB18,290,000 (2020: RMB10,242,000) have been charged in “cost of sales” and in “administrative expenses”, respectively.

Construction in progress as at 31 December 2021 represents buildings and data centers under construction mainly in Beijing, Shijiazhuang, Dalian, Hangzhou, and Suzhou with intended use for senior housing or health care related services and operation of data centers.

As at 31 December 2021, property, plant and equipment of the Group with carrying values of approximately RMB131,897,000 (2020: RMB80,027,000) were pledged as collateral for the Group’s borrowings.

## 8 LEASES

### (a) Amounts recognised in the balance sheet

The balance sheet shows the following amounts relating to leases:

	As at 31 December 2021 RMB'000	As at 31 December 2020 RMB'000
<b>Right-of-use assets</b>		
Leased buildings	403,550	140,210
Other	3,199	76
<b>Total right-of-use assets per consolidated balance sheet</b>	<b>406,749</b>	140,286
<b>Lease liabilities</b>		
Current	65,832	50,513
Non-current	361,241	97,418
<b>Total lease liabilities per consolidated balance sheet</b>	<b>427,073</b>	147,931

Increase of the right-of-use assets during this financial year is approximately RMB372,735,000, mainly due to the business combination.

## 8 LEASES (Continued)

### (b) Amounts recognised in the statement of profit or loss

The statement of profit or loss shows the following amounts relating to leases:

	2021 RMB'000	2020 RMB'000
<b>Depreciation charge of right-of-use assets</b>		
Leased buildings	(101,960)	(77,660)
Other	(1,691)	(320)
<b>Total</b>	<b>(103,651)</b>	<b>(77,980)</b>
Interest expense (Note 40)	27,712	11,117

### (c) The Group's leasing activities and how these are accounted for

The Group mainly leases various offices. Rental contracts are typically made for fixed periods of 15 months to 20 years.

Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor. Leased assets may not be used as security for borrowing purposes.

## 9 LAND USE RIGHTS

The Group's interests in land use rights represent prepaid operating lease payments in the PRC which are held on leases of less than 50 years (including 50 years). The movements are as follows:

	Year ended 31 December	
	2021 RMB'000	2020 RMB'000
<b>At beginning of the year</b>	<b>177,320</b>	180,566
Addition	24,729	–
Amortization charge (Note 38)	(4,100)	(3,246)
<b>At end of the year</b>	<b>197,949</b>	177,320

As at 31 December 2021, the land use rights of the Group with carrying values of approximately RMB4,846,000 (2020:RMB4,979,000) were pledged as collateral for the Group's borrowings.

## 10 INTANGIBLE ASSETS

	Year ended 31 December	
	2021 RMB'000	2020 RMB'000
<b>At beginning of the year</b>	<b>108,746</b>	29,582
Addition	<b>7,115</b>	46,148
Acquisition of subsidiaries	<b>157,337</b>	39,265
Disposal of interests in subsidiaries	<b>(27,655)</b>	–
Amortization charge (Note 38)	<b>(26,469)</b>	(6,249)
<b>At end of the year</b>	<b>219,074</b>	108,746

## 11 GOODWILL

	RMB'000
Year ended 31 December 2021	
Opening net book amount	<b>147,415</b>
Acquisition of subsidiaries	<b>251,776</b>
Derecognition of goodwill (Note 38)	<b>(20,993)</b>
Closing net book amount	<b>378,198</b>
	RMB'000
Year ended 31 December 2020	
Opening net book amount	195,708
Acquisition of subsidiaries	29,744
Derecognition of goodwill (Note 38)	(78,037)
Closing net book amount	147,415



## 11 GOODWILL (Continued)

Goodwill was generated from business combination and allocated to a cash generated unit or a group of cash generated units, from the acquisition date, that is expected to benefit from the synergies of the combination. Derecognition of goodwill allocated to a cash generated unit or a group of cash generated units was recognised due to disposal of the relevant properties.

Goodwill is allocated to the Group's cash generated units identified according to operating segment. An operating segment level summary of the goodwill allocation is presented below:

	As at 31 December	
	2021 RMB'000	2020 RMB'000
Internet digital center related business (i)	<b>213,948</b>	–
Property management contracts and customer relationship (ii)	<b>92,632</b>	54,804
Property development (iii)	<b>6,314</b>	27,307
Other (iv)	<b>65,304</b>	65,304
	<b>378,198</b>	147,415

- (i) Goodwill relating to internet digital center service contracts and customer relationship arose from the acquisition of internet digital center service companies.
- (ii) Goodwill relating to property management contracts and customer relationship arose from the acquisition of property management companies.
- (iii) Goodwill relating to property development arose from the acquisition of properties development companies, the impairment of such goodwill is considered together with the impairment of the inventories of the Group.
- (iv) Such goodwill raised from the acquisition of companies engaged in other fields, including landscaping and other construction companies, the impairment of such goodwill is considered together with the impairment of the inventories and intangible assets of the Group.

As of 31 December 2021 and 2020, the management performed impairment assessment on the goodwill. The recoverable amount of goodwill is determined based on value-in-use calculations, these calculations use cash flow projections based on management's financial budgets covering periods of no more than 5 years. The Group expects cash flows beyond such periods will be similar to that of the respective final forecast years on existing scale.

Key assumptions applied in the impairment test for the goodwill include the expected growth in revenue and gross margin, operating costs, selling and administrative expenses and discount rates and so on. Management determined these key assumptions based on past performance and its expectation on market development. Management believes that any reasonably possible change in any of these key assumption on which recoverable amounts are based may not cause the carrying amounts of goodwill to exceed their recoverable amounts. The results of the tests undertaken as at 31 December 2021 indicated no impairment charge was necessary.

## 12 INVESTMENT PROPERTIES

	Completed investment properties RMB'000	Investment properties under development RMB'000	Total RMB'000
<b>At fair value</b>			
<b>Year ended 31 December 2021</b>			
At beginning of the year	6,976,798	5,079,000	12,055,798
Additions	16,172	39,553	55,725
Transfer to property, plant and equipment	(48,943)	–	(48,943)
Transfer to properties under development	(95,476)	–	(95,476)
Disposal of interests in subsidiaries	(331,000)	(5,112,000)	(5,443,000)
Currency translation differences	(19,029)	–	(19,029)
Fair value losses recognised in profit or loss	(57,309)	(6,553)	(63,862)
<b>At end of the year</b>	<b>6,441,213</b>	<b>–</b>	<b>6,441,213</b>
<b>At fair value</b>			
<b>Year ended 31 December 2020</b>			
At beginning of the year	8,271,198	5,057,000	13,328,198
Additions	6,390	20,052	26,442
Transfer from completed properties held for sale	241,815	–	241,815
Disposal of interests in subsidiaries	(1,366,572)	–	(1,366,572)
Currency translation differences	(18,040)	–	(18,040)
Fair value (losses)/gains recognised in profit or loss	(157,993)	1,948	(156,045)
<b>At end of the year</b>	<b>6,976,798</b>	<b>5,079,000</b>	<b>12,055,798</b>

(a) Amounts recognised in profit or loss for investment properties

	Year ended 31 December	
	2021	2020
	RMB'000	RMB'000
Rental income	409,630	493,696
Direct operating expenses arising from investment properties that generate rental income	(132,768)	(53,968)
Direct operating expenses that did not generate rental income	(29,865)	(17,235)
	<b>246,997</b>	422,493

## 12 INVESTMENT PROPERTIES (Continued)

### (b) Valuation basis

Fair value measurements using significant unobservable inputs

	31 December 2021						
	Beijing RMB'000	Completed investment properties			Sub total RMB'000	Investment properties under development Beijing RMB'000	Total RMB'000
		Tianjin RMB'000	Dalian RMB'000	United States RMB'000			
Opening balance as at 1 January	5,949,181	331,000	455,196	241,421	6,976,798	5,079,000	12,055,798
Additions	11,160	–	5,012	–	16,172	39,553	55,725
Transfer to property, plant and equipment	(48,943)	–	–	–	(48,943)	–	(48,943)
Transfer to properties under development	(78,268)	–	(17,208)	–	(95,476)	–	(95,476)
Disposal of interests in subsidiaries	–	(331,000)	–	–	(331,000)	(5,112,000)	(5,443,000)
Currency translation differences	–	–	–	(19,029)	(19,029)	–	(19,029)
Net (losses)/gains from fair value adjustment	(77,193)	–	–	19,884	(57,309)	(6,553)	(63,862)
Closing balance as at 31 December	5,755,937	–	443,000	242,276	6,441,213	–	6,441,213

Fair value measurements using significant unobservable inputs

	31 December 2020							
	Beijing RMB'000	Tianjin RMB'000	Dalian RMB'000	Completed investment properties		Sub total RMB'000	Investment properties under development Beijing RMB'000	Total RMB'000
				Hong Kong RMB'000	United States RMB'000			
Opening balance as at 1 January	5,754,689	346,000	466,000	412,238	1,292,271	8,271,198	5,057,000	13,328,198
Additions	463	–	5,927	–	–	6,390	20,052	26,442
Disposal of interests in subsidiaries	–	–	–	(403,458)	(963,114)	(1,366,572)	–	(1,366,572)
Transfer from completed properties held for sale	239,455	–	–	–	–	239,455	–	239,455
Currency translation differences	–	–	–	7,964	(23,644)	(15,680)	–	(15,680)
Net (losses)/gains from fair value adjustment	(45,426)	(15,000)	(16,731)	(16,744)	(64,092)	(157,993)	1,948	(156,045)
Closing balance as at 31 December	5,949,181	331,000	455,196	–	241,421	6,976,798	5,079,000	12,055,798

## 12 INVESTMENT PROPERTIES (Continued)

### (b) Valuation basis (Continued)

#### Valuation processes of the Group

The Group measures its investment properties at fair value. The investment properties were mainly revalued by Cushman & Wakefield Limited, Graval Consulting Limited and Colliers International, independent qualified valuers not related to the Group, who hold recognised relevant professional qualifications and have recent experiences in the location and segments of the investment properties valued. For all investment properties, their current use equates to the highest and best use.

The finance department of the Group reviews the valuations performed by the independent valuers for financial reporting purposes and reports directly to the senior management. Discussions of valuation processes and results are held between the management and valuers after each valuation by the independent qualified valuers, which is normally done once every six months, in line with the Group's interim and annual reporting dates.

At each financial year end the finance department of the Group:

- Verifies all major inputs to the independent valuation report;
- Assess property valuations movements when compared to the prior year valuation report;
- Holds discussions with the independent qualified valuers.

#### Valuation techniques

Fair values of completed commercial properties in Beijing, Tianjin, Dalian and the United States are generally derived using the income capitalization method. These valuation methods are based on the capitalization of the net income and reversionary income potential by adopting appropriate capitalization rates, which are derived from analysis of sale transactions and valuers' interpretation of prevailing investor requirements or expectations. The prevailing market rents adopted in the valuation have reference to recent lettings, within the subject properties and other comparable properties.

There were no changes to the valuation techniques during the year and there were no transfers between fair value hierarchy during the year.

#### Significant unobservable inputs used to determine fair value

- Completed investment properties

Description	Fair value at 31 December 2021 (RMB'000)	Valuation technique(s)	Range of significant unobservable inputs		Premium or discount for quality of properties (%)
			Prevailing market rents	Capitalization rates (%)	
Completed investment properties — Beijing	5,755,937	Income capitalization	RMB30 to RMB593 per month per square meter	5.75 to 7.00	N/A
Completed investment properties — Dalian	443,000	Income capitalization	RMB64 to RMB111 per month per square meter	6.00	N/A
Completed investment properties — United States	242,276	Income capitalization	USD5 per month per square feet	6.00	N/A

## 12 INVESTMENT PROPERTIES (Continued)

### (b) Valuation basis (Continued)

#### Significant unobservable inputs used to determine fair value (Continued)

- Completed investment properties (Continued)

Description	Fair value at 31 December 2020 (RMB'000)	Valuation technique(s)	Range of significant unobservable inputs		Premium or discount for quality of properties (%)
			Prevailing market rents	Capitalization rates (%)	
Completed investment properties — Beijing	5,949,181	Income capitalization	RMB35 to RMB575 per month per square meter	6.25 to 7.00	N/A
Completed investment properties — Tianjin	331,000	Income capitalization	RMB62 to RMB291 per month per square meter	3.50 to 7.00	N/A
Completed investment properties — Dalian	455,196	Income capitalization	RMB67 to RMB112 per month per square meter	4.50 to 6.00	N/A
Completed investment properties — United States	241,421	Income capitalization	USD5 per month per square feet	6.00	N/A

- Investment properties under development

Description	Fair value at 31 December 2020 (RMB'000)	Valuation technique(s)	Range of significant unobservable inputs			Premium or discount for quality of properties (%)
			Prevailing market rents	Capitalization rates (%)	Cost to completion	
Investment properties under development — Beijing	5,079,000	Residual method taking reference to comparison approach	RMB421 to RMB702 per month per square meter	4.00 to 6.50	RMB13,804 per square meter	N/A

Prevailing market rents are estimated based on valuers' view of recent lettings, within the subject properties and other comparable properties. The lower the rents, the lower the fair value.

Capitalization rates are estimated by valuers based on the risk profile of the properties being valued. The higher the rates, the lower the fair value.

Premium or discount for quality of properties are estimated by valuers based on quality of properties, such as location, size, view, level and condition of the properties.

### (c) Non-current assets pledged as security

As at 31 December 2021 and 2020, investment properties of the Group with carrying values of approximately RMB3,145,057,000 and RMB3,505,421,000, respectively, were pledged as collateral for the Group's borrowings.

## 13 SUBSIDIARIES

The following is a list of the subsidiaries as at 31 December 2021 which, in the opinion of the directors, materially affect the results or assets of the Group:

Name	Place of incorporation and kind of legal entity	Principal activities and place of operation	Issued/paid in capital (In thousand)	Ownership interest held by the Group		Ownership interest held by non-controlling interest	
				2021	2020	2021	2020
(1) Sino-Ocean Holding Group (China) Limited 遠洋控股集團(中國)有限公司	PRC, Limited liability company	Investment holding	RMB7,064,870	100%	100%	-	-
(2) 遠洋國際建設有限公司	PRC, Limited liability company	Renovation service in PRC	RMB600,000	100%	100%	-	-
(3) 北京遠盛置業有限公司	PRC, Limited liability company	Property development in PRC	RMB100,000	100%	100%	-	-
(4) Beijing Yuankun Real Estate Development Company, Limited 北京遠坤房地產開發有限公司	PRC, Limited liability company	Investment holding	RMB500,000	100%	100%	-	-
(5) 北京萬洋世紀創業投資管理有限公司	PRC, Limited liability company	Investment holding	RMB341,000	100%	100%	-	-
(6) 北京碧城創業投資管理有限公司	PRC, Limited liability company	Investment holding	RMB336,000	100%	100%	-	-
(7) Beijing Qianyuan Property Co., Ltd. 北京乾遠置業有限公司	PRC, Limited liability company	Investment holdings in PRC	RMB300,000	100%	100%	-	-
(8) Beijing Yuan Yang Building Co., Ltd. 北京遠洋大廈有限公司	PRC, Limited liability company	Investment property in PRC	USD30,000	72%	72%	28%	28%
(9) Beijing Wuhe Real Estate Development Company, Limited 北京五河房地產開發有限公司	PRC, Limited liability company	Land development in PRC	RMB100,000	75%	75%	25%	25%
(10) Beijing Jun De Land Development Company Limited 北京駿德置業有限公司	PRC, Limited liability company	Investment holding	RMB90,000	100%	100%	-	-
(11) Beijing Dong Long Real Estate Development Co., Ltd. 北京東隆房地產開發有限公司	PRC, Limited liability company	Property development in PRC	USD12,370	85.72%	85.72%	14.28%	14.28%
(12) Beijing Jin He Wan Sheng Real Estate Development Company Limited 北京金和萬盛房地產開發有限公司	PRC, Limited liability company	Land development in PRC	RMB75,000	100%	100%	-	-
(13) Beijing Yuan Hao Land Development Company, Limited 北京遠豪置業有限公司	PRC, Limited liability company	Property development in PRC	RMB60,000	100%	100%	-	-
(14) Beijing Tianlin Real Estate Development Company, Limited 北京市天麟房地產開發有限公司	PRC, Limited liability company	Investment holding	RMB30,000	100%	100%	-	-

## 13 SUBSIDIARIES (Continued)

Name	Place of incorporation and kind of legal entity	Principal activities and place of operation	Issued/paid in capital (In thousand)	Ownership interest held by the Group		Ownership interest held by non-controlling interest	
				2021	2020	2021	2020
(15) 北京遠東新地置業有限公司	PRC, Limited liability company	Investment holding	RMB200,000	100%	100%	-	-
(16) Beijing Yin Gang Real Estate Development Company Limited 北京銀港房地產開發有限公司	PRC, Limited liability company	Investment holdings in PRC	RMB10,000	100%	100%	-	-
(17) Beijing Yuan-lian Real Estate Development Company, Limited 北京遠聯置地房地產開發有限公司	PRC, Limited liability company	Property development in PRC	RMB10,000	100%	100%	-	-
(18) 天津宇華房地產開發有限公司	PRC, Limited liability company	Property development in PRC	RMB800,000	100%	100%	-	-
(19) Tianjin Yuanying Real Estate Development Company, Limited 天津市遠贏置業有限公司	PRC, Limited liability company	Property development in PRC	RMB30,000	100%	100%	-	-
(20) 大連新悅置業有限公司	PRC, Sino-foreign equity joint venture	Property development in PRC	USD241,000	100%	100%	-	-
(21) 大連滙洋置業有限公司	PRC, Wholly foreign owned enterprise	Property development in PRC	USD66,122	100%	100%	-	-
(22) 大連廣宇置業有限公司	PRC, Sino-foreign equity joint venture	Property development in PRC	USD363,200	100%	100%	-	-
(23) 大連世甲置業有限公司	PRC, Sino-foreign equity joint venture	Property development in PRC	USD167,850	100%	100%	-	-
(24) Dalian Sunny-Ocean Property Limited 大連明遠置業有限公司	PRC, Sino-foreign equity joint venture	Property development in PRC	USD80,000	100%	100%	-	-
(25) Dalian Sky-Upright Property Limited 大連正乾置業有限公司	PRC, Sino-foreign equity joint venture	Property development in PRC	USD76,860	100%	100%	-	-
(26) 大連源豐置業有限公司	PRC, Sino-foreign equity joint venture	Property development in PRC	USD50,700	100%	100%	-	-
(27) 大連遠佳產業園開發有限公司	PRC, Wholly foreign owned enterprise	Property development in PRC	USD35,000	100%	100%	-	-
(28) 遠洋地產(遼寧)有限公司	PRC, Limited liability company	Property development in PRC	RMB70,000	100%	100%	-	-
(29) 長春東方聯合置業有限公司	PRC, Limited liability company	Property development in PRC	RMB200,000	100%	100%	-	-
(30) 青島遠豪置業有限公司	PRC, Sino-foreign equity joint venture	Property development in PRC	RMB150,000	100%	100%	-	-

## 13 SUBSIDIARIES (Continued)

Name	Place of incorporation and kind of legal entity	Principal activities and place of operation	Issued/paid in capital (In thousand)	Ownership interest held by the Group		Ownership interest held by non-controlling interest	
				2021	2020	2021	2020
(31) 遠洋地產(上海)有限公司	PRC, Limited liability company	Investment holding	RMB20,000	100%	100%	-	-
(32) 大連鑫融置業有限公司	PRC, Wholly foreign owned enterprise	Property development in PRC	USD120,000	100%	100%	-	-
(33) 天基房地產開發(深圳)有限公司	PRC, Wholly foreign owned enterprise	Property development in PRC	HKD160,000	100%	84.70%	-	15.30%
(34) 三亞南國奧林匹克花園有限公司	PRC, Limited liability company	Property development in PRC	RMB64,100	100%	100%	-	-
(35) 天津遠頤房地產開發有限公司	PRC, Limited liability company	Property development in PRC	RMB50,000	100%	100%	-	-
(36) 大連利遠置業有限公司	PRC, Sino-foreign equity joint venture	Property development in PRC	USD143,410	100%	100%	-	-
(37) 遠洋養老運營管理有限公司	PRC, Limited liability company	Senior housing service in PRC	RMB500,000	100%	100%	-	-
(38) Tianjin Yuan-bin Real Estate Development Company, Limited 天津市遠濱房地產開發有限公司	PRC, Sino-foreign equity joint venture	Property development in PRC	RMB600,000	100%	100%	-	-
(39) 大連宏宇置業有限公司	PRC, Limited liability company	Property development in PRC	RMB50,000	100%	100%	-	-
(40) 北京遠山置業有限公司	PRC, Limited liability company	Property development in PRC	RMB50,000	100%	100%	-	-
(41) 盈創再生資源有限公司	PRC, Limited liability company	Environmental technology in PRC	RMB361,670	96.19%	96.19%	3.81%	3.81%
(42) 上海銳盈置業有限公司	PRC, Wholly foreign owned enterprise	Property development in PRC	RMB145,000	100%	100%	-	-
(43) 深圳市樂安房地產有限公司	PRC, Limited liability company	Property development in PRC	RMB50,000	100%	100%	-	-
(44) 北京遠新資產管理有限公司	PRC, Limited liability company	Investment property in PRC	RMB20,000	100%	100%	-	-
(45) 北京市佳利華經濟開發有限責任公司	PRC, Limited liability company	Senior housing service in PRC	RMB30,000	100%	100%	-	-
(46) Sino-Ocean Service Holding Limited 遠洋服務控股有限公司	Cayman Islands, Limited liability company	Property management in PRC	RMB99,829	67.57%	67.57%	32.43%	32.43%
(47) 上海遠滙置業有限公司	PRC, Wholly foreign owned enterprise	Property development in PRC	RMB2,200,000	100%	100%	-	-



## 13 SUBSIDIARIES (Continued)

Name	Place of incorporation and kind of legal entity	Principal activities and place of operation	Issued/paid in capital (In thousand)	Ownership interest held by the Group		Ownership interest held by non-controlling interest	
				2021	2020	2021	2020
(48) 深圳市金楓房地產開發有限公司 ("Shenzhen Jinfeng")	PRC, Limited liability company	Property development in PRC	RMB50,000	<b>60%</b>	60%	<b>40%</b>	40%
(49) 深圳市高誠達投資發展有限公司	PRC, Limited liability company	Property development in PRC	RMB50,000	<b>80%</b>	80%	<b>20%</b>	20%
(50) 三亞德商房地產開發有限公司	PRC, Sino-foreign equity joint venture	Property development in PRC	USD30,000	<b>100%</b>	100%	–	–
(51) 南京金遠置業有限公司	PRC, Limited liability company	Property development in PRC	RMB33,330	<b>70%</b>	70%	<b>30%</b>	30%
(52) 上海椿萱茂養老服務有限公司	PRC, Limited liability company	Senior housing service in PRC	RMB10,000	<b>100%</b>	100%	–	–
(53) 湖北福星惠譽常青置業有限公司 ("Hubei Fuxing")	PRC, Limited liability company	Property development in PRC	RMB10,000	<b>51%</b>	51%	<b>49%</b>	49%
(54) 成都嘉昱房地產有限責任公司	PRC, Limited liability company	Property development in PRC	RMB10,000	<b>60%</b>	60%	<b>40%</b>	40%
(55) 杭州宜品房地產開發有限公司	PRC, Limited liability company	Property development in PRC	RMB170,000	<b>100%</b>	100%	–	–
(56) 北京遠奧置業有限公司	PRC, Limited liability company	Property development in PRC	RMB50,000	<b>100%</b>	100%	–	–
(57) 天津濱海房地產經營有限公司	PRC, Limited liability company	Property development in PRC	RMB100,000	<b>60%</b>	60%	<b>40%</b>	40%
(58) 遠洋地產鎮江有限公司	PRC, Limited liability company	Property development in PRC	RMB50,000	<b>55%</b>	55%	<b>45%</b>	45%
(59) 西安遠洋中央公園置業有限責任公司	PRC, Wholly foreign owned enterprise	Property development in PRC	USD80,000	<b>100%</b>	100%	–	–
(60) 宜興遠博置業有限公司	PRC, Limited liability company	Property development in PRC	RMB20,000	<b>100%</b>	100%	–	–
(61) 瀋陽銀基新世紀置業有限公司	PRC, Limited liability company	Property development in PRC	RMB150,000	<b>100%</b>	100%	–	–
(62) 廣州市遠翔房地產開發有限公司	PRC, Sino-foreign equity joint venture	Property development in PRC	RMB1,800,000	<b>100%</b>	100%	–	–
(63) 青島遠佳置業有限公司	PRC, Limited liability company	Property development in PRC	RMB20,000	<b>100%</b>	100%	–	–
(64) 北京遠川房地產開發有限公司	PRC, Limited liability company	Property development in PRC	RMB20,000	<b>100%</b>	100%	–	–

## 13 SUBSIDIARIES (Continued)

Name	Place of incorporation and kind of legal entity	Principal activities and place of operation	Issued/paid in capital (In thousand)	Ownership interest held by the Group		Ownership interest held by non-controlling interest	
				2021	2020	2021	2020
(65) 成都恒茂置地有限公司	PRC, Limited liability company	Property development in PRC	RMB50,000	100%	100%	–	–
(66) 海寧遠碩置業有限公司	PRC, Limited liability company	Property development in PRC	RMB20,000	100%	100%	–	–
(67) 溫州宸遠置業有限公司	PRC, Limited liability company	Property development in PRC	RMB20,000	100%	100%	–	–
(68) 南京遠乾置業有限公司	PRC, Limited liability company	Property development in PRC	RMB20,000	100%	100%	–	–
(69) 天津城投濱海房地產經營有限公司	PRC, Limited liability company	Property development in PRC	RMB200,000	64.28%	64.28%	35.72%	35.72%
(70) 中山市遠昇房地產開發有限公司	PRC, Limited liability company	Property development in PRC	RMB20,400	75%	75%	25%	25%
(71) 大連宏澤置業有限公司	PRC, Wholly foreign owned enterprise	Property development in PRC	USD151,060	100%	100%	–	–
(72) 福州世遠置業有限公司 (i)	PRC, Limited liability company	Property development in PRC	RMB20,000	50%	50%	50%	50%
(73) 山西明遠房地產開發有限公司	PRC, Limited liability company	Property development in PRC	RMB10,000	80%	80%	20%	20%
(74) 貴州築宸府置業有限公司	PRC, Limited liability company	Property development in PRC	RMB12,500	80%	80%	20%	20%
(75) 秦皇島潤海房地產開發有限公司	PRC, Limited liability company	Property development in PRC	RMB636,000	100%	100%	–	–
(76) 秦皇島潤濱房地產開發有限公司	PRC, Limited liability company	Property development in PRC	RMB212,000	100%	100%	–	–
(77) 秦皇島潤鴻房地產開發有限公司	PRC, Limited liability company	Property development in PRC	RMB61,200	100%	100%	–	–
(78) 秦皇島潤澤房地產開發有限公司	PRC, Limited liability company	Property development in PRC	RMB21,200	100%	100%	–	–
(79) 秦皇島潤港房地產開發有限公司	PRC, Limited liability company	Property development in PRC	RMB21,200	100%	100%	–	–
(80) 秦皇島潤鑫房地產開發有限公司	PRC, Limited liability company	Property development in PRC	RMB21,200	100%	100%	–	–
(81) 大連盈合置業有限公司	PRC, Limited liability company	Property development in PRC	RMB20,000	51%	51%	49%	49%

## 13 SUBSIDIARIES (Continued)

Name	Place of incorporation and kind of legal entity	Principal activities and place of operation	Issued/paid in capital (In thousand)	Ownership interest held by the Group		Ownership interest held by non-controlling interest	
				2021	2020	2021	2020
(82) 大連峰景美墅地產發展有限公司	PRC, Limited liability company	Property development in PRC	RMB181,614	100%	100%	–	–
(83) 上海崇遠企業管理諮詢有限公司	PRC, Limited liability company	Investment holding	RMB10,000	100%	100%	–	–
(84) 茂名市錦繡河山房地產開發有限公司	PRC, Limited liability company	Property development in PRC	RMB19,000	51%	51%	49%	49%
(85) 龍巖遠盛房地產開發有限公司	PRC, Limited liability company	Property development in PRC	RMB30,000	51%	51%	49%	49%
(86) 上海潤翎商務諮詢有限公司	PRC, Limited liability company	Investment holding	RMB161,925	56.77%	56.77%	43.23%	43.23%
(87) 煙台遠景置業有限公司	PRC, Limited liability company	Property development in PRC	RMB20,000	100%	100%	–	–
(88) 上海島品置業有限公司	PRC, Limited liability company	Property development in PRC	RMB50,000	51%	51%	49%	49%
(89) 杭州島遠置業有限公司	PRC, Limited liability company	Property development in PRC	RMB50,000	51%	51%	49%	49%
(90) 湖南樂住置業投資有限公司	PRC, Limited liability company	Property development in PRC	RMB30,000	95%	95%	5%	5%
(91) 貴陽遠滙房地產開發有限公司	PRC, Limited liability company	Property development in PRC	RMB50,000	100%	100%	–	–
(92) 佛山昱辰房地產開發有限公司 (i)	PRC, Limited liability company	Property development in PRC	RMB20,000	50%	50%	50%	50%
(93) Zhejiang Guoheng Xixi Real Estate Co., Ltd 浙江國恆西溪置業有限公司	PRC, Limited liability company	Property development in PRC	RMB50,000	100%	100%	–	–
(94) Wuhan Yuanhui Real Estate Co., Ltd 武漢元慧置業有限公司	PRC, Limited liability company	Property development in PRC	RMB50,000	70%	70%	30%	30%
(95) Shenzhen Tianheng Chuangxing Industrial Co., Ltd 深圳市天恆創興實業有限公司	PRC, Limited liability company	Property development in PRC	RMB100,000	63.25%	63.25%	36.75%	36.75%
(96) Shenzhen Yuanguan Real Estate Co., Ltd 深圳市遠冠置業有限公司	PRC, Limited liability company	Property development in PRC	RMB100,000	63.25%	63.25%	36.75%	36.75%
(97) 江西軍邦房地產開發有限公司	PRC, Limited liability company	Property development in PRC	RMB30,000	51%	–	49%	–

## 13 SUBSIDIARIES (Continued)

Name	Place of incorporation and kind of legal entity	Principal activities and place of operation	Issued/paid in capital (In thousand)	Ownership interest held by the Group		Ownership interest held by non-controlling interest	
				2021	2020	2021	2020
(98) 青島海駿置業有限公司 (ii)	PRC, Limited liability company	Property development in PRC	RMB14,884	43%	–	57%	–
(99) 深圳市恆裕國宏房地產開發有限公司	PRC, Limited liability company	Property development in PRC	RMB101,000	100%	–	–	–
(100) 中山市駿盈房產開發有限公司	PRC, Limited liability company	Property development in PRC	RMB50,000	51%	–	49%	–
(101) Beijing UNIQloud Technology Co. Ltd. 北京雲泰數通互聯網科技有限公司 ("Beijing UNIQloud")	PRC, Limited liability company	Colocation services in PRC	RMB5,000,000	50.92%	–	49.08%	–
(102) 北京遠創興城置業有限公司 (i)	PRC, Limited liability company	Property development in PRC	RMB100,000	50%	–	50%	–
(103) 武漢弘盛永泰置業有限公司	PRC, Limited liability company	Property development in PRC	RMB50,000	70%	–	30%	–
(104) 上海熙序企業管理有限公司	PRC, Limited liability company	Investment holdings in PRC	RMB5,000	51%	–	49%	–
(105) 西寧愛琴海房地產開發有限公司	PRC, Limited liability company	Property development in PRC	RMB50,000	51%	–	49%	–
(106) 柳州紅星房地產有限公司	PRC, Limited liability company	Property development in PRC	RMB50,000	51%	–	49%	–
(107) 溫州星龍房地產開發有限責任公司	PRC, Limited liability company	Property development in PRC	RMB50,000	100%	–	–	–
(108) 瀋陽星龍房地產開發有限公司	PRC, Limited liability company	Property development in PRC	RMB20,000	100%	–	–	–
(109) 武漢遠悅置業有限公司	PRC, Sino-foreign equity joint venture	Property development in PRC	RMB2,144,436	51%	–	49%	–
(110) 廈門遠宏安房地產開發有限公司	PRC, Limited liability company	Property development in PRC	RMB50,000	100%	–	–	–
(111) 成都遠實房地產開發有限責任公司	PRC, Limited liability company	Property development in PRC	RMB10,000	100%	–	–	–
(112) 溫州遠康置業有限公司	PRC, Limited liability company	Property development in PRC	RMB20,000	100%	–	–	–
(113) 蘇州遠祺房地產開發有限公司	PRC, Sino-foreign equity joint venture	Property development in PRC	RMB332,500	100%	–	–	–
(114) 溫州遠溪置業有限公司	PRC, Limited liability company	Property development in PRC	RMB20,000	100%	–	–	–

## 13 SUBSIDIARIES (Continued)

Name	Place of incorporation and kind of legal entity	Principal activities and place of operation	Issued/paid in capital (In thousand)	Ownership interest held by the Group		Ownership interest held by non-controlling interest	
				2021	2020	2021	2020
(115) 廣州市遠昊房地產開發有限公司	PRC, Limited liability company	Property development in PRC	RMB50,000	100%	–	–	–
(116) Sino-Ocean Land (Hong Kong) Limited 遠洋地產(香港)有限公司	Hong Kong, Limited company	Investment holding in Hong Kong	HKD10	100%	100%	–	–
(117) Shine Wind Development Limited 耀勝發展有限公司	BVI, Limited company	Investment holding in BVI	USD10	100%	100%	–	–
(118) Mission Success Limited 穎博有限公司	Hong Kong, Limited company	Investment holding in Hong Kong	HKD–	100%	100%	–	–
(119) Dynamic Class Limited 昇能有限公司	Hong Kong, Limited company	Investment holding in Hong Kong	HKD–	100%	100%	–	–
(120) Mega Precise Profits Limited	BVI, Limited company	Investment holding in BVI	USD–	100%	100%	–	–
(121) Smart State Properties Limited	BVI, Limited company	Investment holding in BVI	USD–	100%	100%	–	–
(122) Faith Ocean International Limited 信洋國際有限公司	BVI, Limited company	Investment holding in BVI	USD–	100%	100%	–	–
(123) World Luck Corporation Limited 寰福有限公司	Hong Kong, Limited company	Investment holding in Hong Kong	HKD–	100%	100%	–	–
(124) Fame Gain Holdings Limited 名得控股有限公司	BVI, Limited company	Investment holding in BVI	USD–	100%	100%	–	–
(125) Sino-Ocean Land Property Development Limited 遠洋地產國際發展有限公司	Hong Kong, Limited company	Investment holding in Hong Kong	HKD20	100%	100%	–	–
(126) Fast Fame Capital Investment Limited 迅榮創富有限公司	Hong Kong, Limited company	Investment holding in Hong Kong	HKD–	100%	100%	–	–
(127) Sino-Ocean Land Treasure Finance I Limited	BVI, Limited company	Investment holding in BVI	HKD–	100%	100%	–	–
(128) Sino-Ocean Land Treasure Finance II Limited	BVI, Limited company	Investment holding in BVI	HKD–	100%	100%	–	–
(129) Sino-Ocean Land Treasure Finance III Limited	BVI, Limited company	Investment holding in BVI	HKD–	100%	100%	–	–
(130) Sino-Ocean Land Treasure IV Limited	BVI, Limited company	Investment holding in BVI	HKD–	100%	100%	–	–
(131) New Advance Limited	Hong Kong, Limited company	Property development in Hong Kong	HKD1,000	100%	100%	–	–
(132) Rich Group Creation Limited	Hong Kong, Limited company	Property development in Hong Kong	HKD–	100%	100%	–	–

(i) Although the Group only owns 50% equity interests in these companies, the Group has the power to control and direct the key operating and financing activities of these companies through the Group's presence in the board of directors of these companies. Consequently, these companies are considered as subsidiaries of the Group.

(ii) Although the Group only own 43% equity interests in this company, the Group has the power to control and direct its key operating and financing activities through entering into an acting in concert agreement with other shareholders. Consequently, the company is considered as a subsidiary of the Group.

## 13 SUBSIDIARIES (Continued)

### (a) Material non-controlling interests

The total non-controlling interest as at 31 December 2021 is approximately RMB21,373,558,000 which mainly consists of non-controlling interest of approximately RMB554,008,000 and non-controlling interest of approximately RMB363,741,000 deriving from Hubei Fuxing and Shenzhen Jinfeng, being 51% and 60% owned subsidiaries, respectively. The non-controlling interest in respect of other subsidiaries is not material.

Cash and short-term deposits held by Hubei Fuxing and Shenzhen Jinfeng amounted to approximately RMB343,403,000 in aggregate are held in China and are subject to local exchange control regulations. These local exchange control regulations provide for restrictions on exporting capital from the country, other than through normal dividends.

Set out below are the summarized financial information for each subsidiary that has non-controlling interests that are material to the Group.

#### Summarized balance sheet

	Hubei Fuxing		Shenzhen Jinfeng	
	2021 RMB'000	2020 RMB'000	2021 RMB'000	2020 RMB'000
Current				
Assets	<b>3,053,314</b>	3,104,483	<b>2,465,272</b>	2,927,847
Liabilities	<b>(1,927,383)</b>	(2,587,881)	<b>(1,579,553)</b>	(2,250,958)
Total current net assets	<b>1,125,931</b>	516,602	<b>885,719</b>	676,889
Non-current				
Assets	<b>4,696</b>	154,128	<b>23,634</b>	2,639
Liabilities	–	–	–	–
Total non-current net assets	<b>4,696</b>	154,128	<b>23,634</b>	2,639
Net assets	<b>1,130,627</b>	670,730	<b>909,353</b>	679,528
Accumulated non-controlling Interest	<b>554,008</b>	328,658	<b>363,741</b>	271,811

## 13 SUBSIDIARIES (Continued)

### (a) Material non-controlling interests (Continued)

#### Summarized income statement

	Hubei Fuxing		Shenzhen Jinfeng	
	2021 RMB'000	2020 RMB'000	2021 RMB'000	2020 RMB'000
Revenue	<b>2,877,364</b>	527,762	<b>1,151,326</b>	2,478,709
Profit/(losses) before income tax	<b>821,574</b>	(271,479)	<b>339,197</b>	946,123
Income tax expense	<b>(361,677)</b>	63,901	<b>(109,372)</b>	(315,189)
Post-tax profit/(losses)	<b>459,897</b>	(207,578)	<b>229,825</b>	630,934
Total comprehensive income	<b>459,897</b>	(207,578)	<b>229,825</b>	630,934
Total comprehensive income allocated to non- controlling Interests	<b>225,350</b>	(101,713)	<b>91,930</b>	252,374

#### Summarized cash flows

	Hubei Fuxing		Shenzhen Jinfeng	
	2021 RMB'000	2020 RMB'000	2021 RMB'000	2020 RMB'000
Cash flows from operating activities				
Cash generated from operations	<b>1,472,239</b>	103,087	<b>581,266</b>	95,130
Interest paid	–	(41,075)	<b>(32,501)</b>	(28,343)
Income tax paid	<b>(60,741)</b>	–	<b>(22,896)</b>	(48,762)
Net cash generated from operating activities	<b>1,411,498</b>	62,012	<b>525,869</b>	18,025
Net cash (used in)/generated from investing activities	<b>(1,376,735)</b>	170,327	–	–
Net cash used in financing activities	–	(326,774)	<b>(540,000)</b>	(8,876)
Net increase/(decrease) in cash and cash equivalents	<b>34,763</b>	(94,435)	<b>(14,131)</b>	9,149
Cash and cash equivalents at beginning of the year	<b>306,411</b>	400,846	<b>16,360</b>	7,211
Cash and cash equivalents at end of the year	<b>341,174</b>	306,411	<b>2,229</b>	16,360

The information above is the amount before inter-company eliminations.

## 14 INVESTMENTS IN JOINT VENTURES

	Year ended 31 December	
	2021 RMB'000	2020 RMB'000
At beginning of the year	<b>21,218,447</b>	17,355,309
Capital injection (i)	<b>2,215,105</b>	6,597,645
Dividend	<b>(1,052,544)</b>	(88,193)
Disposal	<b>(314,427)</b>	(2,868,074)
Deemed disposal of joint ventures	<b>(52,505)</b>	(521,457)
Increase due to disposal of interest in subsidiaries	<b>1,985,939</b>	482,569
Decrease due to disposal of interest in a subsidiary	–	(716,419)
Share of results of joint ventures — after adjustment for unrealized profit or loss from inter-company transactions between the Group and the joint ventures	<b>1,329,726</b>	1,008,945
Currency translation difference	<b>(38,935)</b>	(31,878)
At end of the year	<b>25,290,806</b>	21,218,447

- (i) Capital injection to joint ventures mainly includes the subscription for the shares in Sino-Ocean Logistics Property Holding Limited on 19 November 2021.



## 14 INVESTMENTS IN JOINT VENTURES (Continued)

- (a) Following are the details of part of the joint ventures held by the Group as at 31 December 2021, all of which are unlisted:

Name	Country of incorporation and operation	Legal status	Issued/paid in capital (In thousand)	Effective interest held as at 31 December 2021	Effective interest held as at 31 December 2020	Nature of relationship	Principal activities
(1) Beijing Linlian Property Company Limited 北京麟聯置業有限公司	PRC	Limited liability company	RMB400,000	50%	50%	(iii)	Investment property development
(2) Chengdu Qianhao Real Estate Company Limited 成都乾豪置業有限公司	PRC	Limited liability company	USD329,000	50%	50%	(iii)	Investment property development
(3) Chengdu Yingang Real Estate Company Limited 成都銀港置業有限公司	PRC	Limited liability company	RMB8,000	50%	50%	(iii)	Investment property development
(4) 北京遠騰置業有限公司	PRC	Limited liability company	RMB1,820,000	50%	50%	(iii)	Land and property development
(5) 深圳市遠盛業投資有限公司	PRC	Limited liability company	RMB200,000	51%	51%	(i), (iv)	Investment management
(6) 北京遠洋新光商業管理有限公司	PRC	Limited liability company	RMB10,000	50%	50%	(iv)	Investment management
(7) 北京遠新房地產開發有限公司	PRC	Limited liability company	RMB100,000	50%	50%	(iii)	Land and property development
(8) 北京遠洋新揚子資產管理有限公司	PRC	Limited liability company	RMB2,000	50%	50%	(iv)	Investment management
(9) 鴻基偉業(北京)房地產開發有限公司	PRC	Limited liability company	RMB20,000	50%	50%	(iii)	Land and property development
(10) 北京房地鑫洋房地產開發有限公司	PRC	Limited liability company	RMB30,000	30%	30%	(ii), (iii)	Land and property development
(11) Tianjin Yijiahe Real Estate Company Limited 天津市億嘉合置業有限公司	PRC	Limited liability Company	RMB80,000	51%	51%	(i), (iii)	Land and property development
(12) SOL Investment Fund LP	Cayman Islands	Limited partnership	HKD2,679,000	50%	50%	(iv)	Investment management
(13) 天津市富士房地產開發有限公司	PRC	Limited liability company	RMB30,000	51%	–	(i), (iii)	Land and property development
(14) 北京穎暉置業有限公司	PRC	Limited liability company	RMB1,000	50%	50%	(iii)	Investment property development

## 14 INVESTMENTS IN JOINT VENTURES (Continued)

(a) Following are the details of part of the joint ventures held by the Group as at 31 December 2021, all of which are unlisted (Continued):

Name	Country of incorporation and operation	Legal status	Issued/paid in capital (In thousand)	Effective interest held as at 31 December 2021	Effective interest held as at 31 December 2020	Nature of relationship	Principal activities
(15) 北京房地天銳鑫洋房地產開發有限公司	PRC	Limited liability company	RMB41,180	30%	30%	(ii), (iii)	Land and property development
(16) 上海新證財經信息諮詢有限公司	PRC	Limited liability company	RMB142,500	45%	45%	(ii), (v)	Investment management
(17) 北京卓信瑞通投資有限公司	PRC	Limited liability company	RMB1,000	33%	33%	(ii), (iv)	Investment management
(18) 天津旭浩房地產開發有限公司	PRC	Limited liability company	RMB120,000	25%	25%	(ii), (iii)	Land and property development
(19) 北京新揚子投資基金管理中心(有限合夥)	PRC	Limited Liability partnership	RMB1,000,000	50%	50%	(iv)	Investment management
(20) 廊坊市裕豐房地產開發有限公司	PRC	Limited liability company	RMB50,000	23.5%	23.5%	(ii), (iii)	Land and property development
(21) 北京房地銘洋房地產開發有限公司	PRC	Limited liability company	RMB30,000	49%	49%	(ii), (iii)	Land and property development
(22) 張家口富利嘉房地產開發有限公司	PRC	Limited liability company	RMB30,000	60%	60%	(i), (iii)	Land and property development
(23) 河北川滙房地產開發有限公司	PRC	Limited liability company	RMB5,000	51%	51%	(i), (iii)	Land and property development
(24) 石家庄永熹房地產開發有限公司	PRC	Limited liability company	RMB10,000	20%	20%	(ii), (iii)	Land and property development
(25) 深圳市遠康置地投資有限公司	PRC	Limited liability company	RMB50,000	65%	65%	(i), (iv)	Investment management
(26) 長春王府井遠洋商業投資有限公司	PRC	Limited liability company	RMB50,000	40%	40%	(ii), (iv)	Investment management
(27) 中山祥盛房地產開發有限公司	PRC	Limited liability company	RMB100,000	50%	50%	(iii)	Land and property development
(28) 合肥永拓置業發展有限公司	PRC	Limited liability company	RMB400,000	25%	25%	(ii), (iii)	Land and property development
(29) 深圳市國通厚德房地產開發有限公司	PRC	Limited liability company	RMB10,000	70%	70%	(i), (iii)	Land and property development
(30) 鄭州建業十八城置業有限公司	PRC	Limited liability company	RMB200,000	50%	50%	(iii)	Land and property development

## 14 INVESTMENTS IN JOINT VENTURES (Continued)

(a) Following are the details of part of the joint ventures held by the Group as at 31 December 2021, all of which are unlisted (Continued):

Name	Country of incorporation and operation	Legal status	Issued/paid in capital (In thousand)	Effective interest held as at 31 December 2021	Effective interest held as at 31 December 2020	Nature of relationship	Principal activities
(31) 北京遠創興茂置業有限公司	PRC	Limited liability company	RMB100,000	40%	40%	(ii), (iii)	Land and property development
(32) 昆明吉興達房地產開發有限公司	PRC	Limited liability company	RMB200,000	20%	20%	(ii), (iii)	Land and property development
(33) 愛車(天津)房地產開發有限公司	PRC	Limited liability company	RMB150,000	49.98%	49.98%	(ii), (iii)	Land and property development
(34) 贏家(天津)房地產開發有限公司	PRC	Limited liability company	RMB850,000	49.98%	49.98%	(ii), (iii)	Land and property development
(35) 北京創遠亦程置業有限公司	PRC	Limited liability company	RMB100,000	50%	50%	(iii)	Land and property development
(36) 太倉遠滙置業有限公司	PRC	Limited liability company	RMB200,000	34%	34%	(ii), (iii)	Land and property development
(37) 北京遠和置業有限公司	PRC	Limited liability company	RMB810,000	25%	25%	(ii), (iii)	Land and property development
(38) 杭州雋洋置業有限公司	PRC	Limited liability company	RMB50,000	49%	49%	(ii), (iii)	Land and property development
(39) 河南優居房地產開發有限公司	PRC	Limited liability company	RMB20,000	25.5%	25.5%	(ii), (iii)	Land and property development
(40) 上海遠緒置業有限公司	PRC	Limited liability company	RMB10,000	50%	50%	(iii)	Land and property development
(41) 天津吉慶置業有限公司	PRC	Limited liability company	RMB30,000	50%	50%	(iii)	Land and property development
(42) 鄭州遠啟博奧企業管理諮詢有限公司	PRC	Limited liability company	RMB10,000	70%	70%	(i), (iv)	Land and property development
(43) 中山市遠聞房地產開發有限公司	PRC	Limited liability company	RMB40,000	51%	51%	(i), (iii)	Land and property development
(44) 中山盛哲房地產開發有限公司	PRC	Limited liability company	RMB20,000	30%	30%	(ii), (iii)	Land and property development
(45) 重慶國際高爾夫俱樂部有限公司	PRC	Limited liability company	RMB96,290	42.5%	42.5%	(ii), (iii)	Land and property development
(46) 西安恆正隆房地產有限公司	PRC	Limited liability company	USD132,274	34%	34%	(ii), (iii)	Land and property development

## 14 INVESTMENTS IN JOINT VENTURES (Continued)

(a) Following are the details of part of the joint ventures held by the Group as at 31 December 2021, all of which are unlisted (Continued):

Name	Country of incorporation and operation	Legal status	Issued/paid in capital (In thousand)	Effective interest held as at 31 December 2021	Effective interest held as at 31 December 2020	Nature of relationship	Principal activities
(47) 北京穎融企業管理諮詢有限公司	PRC	Limited liability company	RMB10,000	70%	70%	(i), (iv)	Land and property development
(48) 北京穎創企業管理諮詢有限公司	PRC	Limited liability company	RMB10,000	70%	70%	(i), (iv)	Land and property development
(49) 長沙遠曜投資管理合夥企業	PRC	Limited liability company	RMB1,267,000	24.96%	24.96%	(ii), (iv)	Investment management
(50) 北京樂優富拓投資有限公司	PRC	Limited liability company	RMB1,000	25%	25%	(ii), (iv)	Land and property development
(51) 嘉興金久房地產開發有限公司	PRC	Limited liability company	RMB8,000	33%	33%	(ii), (iii)	Land and property development
(52) 龍洋生命(開曼)有限公司	Cayman Islands	Limited liability company	RMB6,500	50%	50%	(iii)	Land and property development
(53) SO CTCO Investments, L.P.	Cayman Islands	Limited partnership	USD100,000	50%	50%	(iv)	Investment management
(54) 石家莊新聯遠鴻房地產開發有限公司	PRC	Limited liability company	RMB100,000	31%	31%	(ii), (iii)	Land and property development
(55) 西安遠瑞置業有限公司	PRC	Limited liability company	RMB10,000	60%	60%	(i), (iii)	Land and property development
(56) 溫州龍巖陵園有限公司	PRC	Limited liability company	USD66,700	50%	50%	(iii)	Land and property development
(57) 天津市遠馳房地產開發有限公司	PRC	Limited liability company	RMB400,000	30%	30%	(ii), (iii)	Land and property development
(58) 北京睿暉商業管理有限公司	PRC	Limited liability company	RMB1,000	30%	30%	(ii), (iii)	Land and property development
(59) 北京睿鴻商業管理有限公司	PRC	Limited liability company	RMB1,000	30%	30%	(ii), (iii)	Land and property development
(60) Sino-Ocean Meridian Holding, LLC	USA	Limited liability company	USD11,659	40%	40%	(ii), (iv)	Elderly care
(61) TSKY Carinhill Pte. Ltd	SG	Limited liability company	USD 20,000	30%	30%	(ii), (iii)	Land and property development
(62) 杭州遠洋新河酒店置業有限公司	PRC	Limited liability company	USD132,590	60%	60%	(i), (iii)	Investment property development

## 14 INVESTMENTS IN JOINT VENTURES (Continued)

(a) Following are the details of part of the joint ventures held by the Group as at 31 December 2021, all of which are unlisted (Continued):

Name	Country of incorporation and operation	Legal status	Issued/paid in capital (In thousand)	Effective interest held as at 31 December 2021	Effective interest held as at 31 December 2020	Nature of relationship	Principal activities
(63) 杭州遠洋運河商務區開發有限公司	PRC	Limited liability company	USD143,210	60%	60%	(i), (iii)	Land and property development
(64) 杭州遠洋天祺置業有限公司	PRC	Limited liability company	USD147,760	60%	60%	(i), (iii)	Land and property development
(65) Shandong Yuanquan Real Estate Company Limited 山東遠泉置業有限公司	PRC	Limited liability company	RMB20,000	51%	51%	(i), (iii)	Land and property development
(66) Hangzhou Yuanchen Real Estate Company Limited 杭州遠宸建祥置業有限公司	PRC	Limited liability company	RMB100,000	51%	51%	(i), (iii)	Land and property development
(67) Nanjing Yuanhong Real Estate Company Limited 南京遠鴻置業有限公司	PRC	Limited liability company	RMB20,000	60%	60%	(i), (iii)	Land and property development
(68) 北京建遠萬譽房地產開發有限公司	PRC	Limited liability company	RMB100,000	51%	51%	(i), (iii)	Land and property development
(69) 北京商務中心區開發建設有限責任公司	PRC	Limited liability company	RMB680,850	47%	47%	(ii), (iii)	Land and property development
(70) 武漢設計之心建設發展有限公司	PRC	Limited liability company	RMB50,000	70%	70%	(i), (iii)	Land and property development
(71) 來安縣遠錦房地產開發有限公司	PRC	Limited liability company	RMB12,000	30%	30%	(ii), (iii)	Land and property development
(72) 北京遠盛泰房地產開發有限公司	PRC	Limited liability company	RMB10,000	60%	60%	(i), (iii)	Land and property development
(73) 天津市遠拓置業有限公司	PRC	Limited liability company	RMB50,000	58%	58%	(i), (iii)	Land and property development
(74) 山東遠舜置業有限公司	PRC	Limited liability company	RMB50,000	58.82%	58.82%	(i), (iii)	Land and property development
(75) 上海遠閱企業管理諮詢有限公司	PRC	Limited liability company	RMB10,000	60%	60%	(i), (v)	Land and property development
(76) 重慶遠香房地產開發有限公司	PRC	Limited liability company	RMB32,000	30%	30%	(ii), (iii)	Land and property development

## 14 INVESTMENTS IN JOINT VENTURES (Continued)

(a) Following are the details of part of the joint ventures held by the Group as at 31 December 2021, all of which are unlisted (Continued):

Name	Country of incorporation and operation	Legal status	Issued/paid in capital (In thousand)	Effective interest held as at 31 December 2021	Effective interest held as at 31 December 2020	Nature of relationship	Principal activities
(77) 山東泰洋置業有限公司	PRC	Limited liability company	RMB20,000	50%	50%	(iii)	Land and property development
(78) 山東遠赫房地產開發有限公司	PRC	Limited liability company	RMB10,000	60%	60%	(i), (iii)	Land and property development
(79) 北京遠景中安置業有限公司	PRC	Limited liability company	RMB2,100,000	31%	31%	(ii), (iii)	Land and property development
(80) 濟南滙遠產業園開發有限公司	PRC	Limited liability company	RMB30,000	42%	42%	(ii), (iii)	Land and property development
(81) 福州遠裕興置業有限公司	PRC	Limited liability company	RMB30,000	51%	51%	(i), (iv)	Land and property development
(82) 北京盛霖市政園林有限公司	PRC	Limited liability company	RMB50,000	74.5%	74.5%	(i), (v)	Landscaping services
(83) 北京星泰通港置業有限公司	PRC	Limited liability company	RMB9,500,000	64.79%	64.79%	(i), (iii)	Investment property development
(84) PT MAKNA ALAM SEJAHTERA	Indonesia	Limited liability company	Rupiah 10,000,000	28%	28%	(ii), (iv)	Land and property development
(85) 北京椿萱茂投資管理有限公司	PRC	Limited liability company	RMB300,000	70%	70%	(i), (v)	Elderly care
(86) Sunrise River Ventures Limited	BVI	Limited company	USD-	49%	49%	(ii), (v)	Landscaping services
(87) 天津睿鴻企業管理有限公司	PRC	Limited liability company	RMB1,000	40%	40%	(ii), (iv)	Land and property development
(88) 太原遠廣房地產開發有限公司	PRC	Limited liability company	RMB10,000	55%	-	(i), (iii)	Land and property development
(89) 丹陽愛家房地產有限公司	PRC	Limited liability company	RMB20,000	50%	-	(iii)	Land and property development
(90) 鄭州鑫沃置業有限公司	PRC	Limited liability company	RMB20,000	51%	-	(i), (iii)	Land and property development
(91) 深圳市遠豐置業有限公司	PRC	Limited liability company	RMB50,000	51%	-	(i), (iii)	Land and property development
(92) 江西洪大博康地產開發有限公司	PRC	Limited liability company	RMB20,000	45%	45%	(ii), (iii)	Land and property development
(93) 中山市遠維房地產開發有限公司	PRC	Limited liability company	RMB1,000	60%	-	(i), (iii)	Land and property development

## 14 INVESTMENTS IN JOINT VENTURES (Continued)

- (a) Following are the details of part of the joint ventures held by the Group as at 31 December 2021, all of which are unlisted (Continued):

Name	Country of incorporation and operation	Legal status	Issued/paid in capital (In thousand)	Effective interest held as at 31 December 2021	Effective interest held as at 31 December 2020	Nature of relationship	Principal activities
(94) 天津普利達房地產建設開發有限公司	PRC	Limited liability company	RMB600,000	70%	100%	(i), (iii)	Land and property development
(95) 合肥啟迪厚德置業有限公司	PRC	Limited liability company	RMB50,000	30%	–	(ii), (iii)	Land and property development
(96) 遠洋(海南)產業發展有限公司	PRC	Limited liability company	RMB100,000	30%	–	(ii), (iii)	Land and property development
(97) 遠洋裝飾工程股份有限公司	PRC	Limited liability company	RMB100,000	51%	–	(i), (v)	Renovation service
(98) 佛山市展翰房地產開發有限公司	PRC	Limited liability company	RMB100,000	50%	–	(iii)	Land and property development
(99) 山東遠宏投資置業有限公司	PRC	Limited liability company	RMB10,000	60%	–	(i), (iii)	Land and property development
(100) 天津熙合供應鏈服務有限公司	PRC	Limited liability company	RMB5,000	50%	–	(iv)	Investment holding
(101) Active Growth Ventures Limited	BVI	Limited liability company	USD–	50%	–	(ii), (iii)	Land and property development
(102) Sino-Ocean Logistics Property Holding Limited	Cayman Islands	Limited liability company	HKD2	30%	–	(ii), (iii)	Land and property development
(103) Sino-Ocean Prime Office Partners I LP	Cayman Islands	Limited partnership	USD1,400,000	28.57%	–	(ii), (iii)	Investment property development

## 14 INVESTMENTS IN JOINT VENTURES (Continued)

- (a) Following are the details of part of the joint ventures held by the Group as at 31 December 2021, all of which are unlisted (Continued):
- (i) Although the Group holds more than 50% of the equity shares of these entities, the Group exercises joint control under the contractual agreements in the strategic financial and operating policy decisions of these entities. Accordingly, these entities are considered as joint ventures of the Group by the directors.
  - (ii) Although the Group holds less than 50% of the equity shares of these entities, the Group exercises joint control under the contractual agreements in the strategic financial and operating policy decisions of these entities. Accordingly, these entities are considered as joint ventures of the Group by the directors.
  - (iii) Investments in these joint ventures provide more business opportunities in property development and investment properties.
  - (iv) Investments in these joint ventures provide more business opportunities in real estate investment activities.
  - (v) Investments in these joint ventures provide more business opportunities for the Group in other business activities.
  - (vi) As at 31 December 2021, the Group has the outstanding capital commitment to joint ventures amounting to approximately RMB2,433,210,000 (2020: RMB1,315,378,000).

### (b) Individually immaterial joint venture

The directors considered that none of the joint ventures individually are material to the Group. The Group's interests in individually immaterial joint ventures that are accounted for using the equity method:

	2021 RMB'000	2020 RMB'000
Aggregate carrying amount of individually immaterial joint ventures	<b>25,290,806</b>	21,218,447
Aggregate amounts of the Group's share of:		
Profit from continuing operations	<b>1,572,808</b>	982,999
Total comprehensive income	<b>1,572,808</b>	982,999



## 15 INVESTMENTS IN ASSOCIATES

	Year ended 31 December	
	2021 RMB'000	2020 RMB'000
At beginning of the year	6,696,748	6,846,347
Capital injection	575,681	822,584
Disposal	—	(768,312)
Transfer to financial assets at fair value through other comprehensive income	—	(457,177)
Dividend	(682,213)	(142,299)
Increase due to disposal of interest in subsidiaries	101,801	374,121
Deemed disposal of associate	(486,639)	(223,472)
Share of results of associates — after adjustment for unrealized profit or loss from inter-company transactions between the Group and the associates	562,920	318,169
Currency translation difference	(37,363)	(73,213)
At end of the year	6,730,935	6,696,748

(a) Following are the details of part of the associates of the Group at 31 December 2021:

Name	Country of incorporation and operation	Legal status	Issued/paid in capital (In thousand)	Effective interest held as at 31 December 2021	Effective interest held as at 31 December 2020	Nature of the relationship	Principal activities
(1) Guoshou Yuantong Real Estate Company Limited 國壽通置業有限公司	PRC	Limited liability company	RMB2,500,000	10%	10%	(i),(ii)	Investment property development
(2) Beijing Shengyong Property Development and Investment Company Limited 北京盛永置業投資有限公司	PRC	Limited liability company	RMB500,000	35%	35%	(ii)	Investment property development
(3) CIGIS (China) Company Limited 建設綜合勘察研究設計院有限公司	PRC	Limited liability company	RMB50,000	35%	35%	(iii)	Survey and design
(4) Chongqing Yuanteng Real Estate Development Limited 重慶遠騰房地產開發有限公司	PRC	Limited liability company	RMB1,100,000	42.5%	42.5%	(ii)	Land and property development
(5) 北京興佰君泰房地產開發有限公司	PRC	Limited liability company	RMB90,000	21%	21%	(ii)	Land and property development
(6) 北京達成光遠置業有限公司	PRC	Limited liability company	RMB100,000	23%	23%	(ii)	Land and property development

## 15 INVESTMENTS IN ASSOCIATES (Continued)

(a) Following are the details of part of the associates of the Group at 31 December 2021 (Continued):

Name	Country of incorporation and operation	Legal status	Issued/paid in capital (In thousand)	Effective interest held as at 31 December 2021	Effective interest held as at 31 December 2020	Nature of the relationship	Principal activities
(7) 廣州宏軒房地產開發有限公司	PRC	Limited liability company	RMB300,000	16.66%	16.66%	(i),(ii)	Land and property development
(8) 廣州宏嘉房地產開發有限公司	PRC	Limited liability company	RMB300,000	16.66%	16.66%	(i),(ii)	Land and property development
(9) 廣州環暉房地產開發有限公司	PRC	Limited liability company	RMB300,000	16.66%	16.66%	(i),(ii)	Land and property development
(10) Beijing Capital Grand Limited. 首創鉅大有限公司	Cayman Islands	Limited liability company	HKD20,345	9.9%	9.9%	(i),(ii)	Land and property development
(11) 重慶遠朗房地產開發有限公司	PRC	Limited liability company	RMB233,540	50%	50%	(ii)	Land and property development
(12) 杭州北晨房地產開發有限公司	PRC	Limited liability company	RMB100,000	50%	50%	(ii)	Land and property development
(13) 武漢遠駿置業有限公司	PRC	Limited liability company	RMB50,000	34%	34%	(ii)	Land and property development
(14) 天津中建致恒地產有限公司	PRC	Limited liability company	RMB70,000	42.86%	42.86%	(ii)	Land and property development
(15) 石家莊安聯房地產開發有限公司	PRC	Limited liability company	RMB20,000	30%	30%	(ii)	Land and property development
(16) 成都青銅滙股權投資基金 合夥企業(有限合夥)	PRC	Limited liability partnership	RMB700,000	42.86%	42.86%	(iv)	Investment management
(17) 北京瑞成永創科技有限公司	PRC	Limited liability company	RMB50,000	22.2%	22.2%	(v)	Scientific research and technical services
(18) 南昌國遠盈潤置業有限公司	PRC	Limited liability company	RMB98,000	49%	49%	(ii)	Land and property development
(19) 北京融德房地產開發有限公司	PRC	Limited liability company	RMB1,388,000	49%	49%	(ii)	Land and property development
(20) Coldwest Fund I LP	Cayman Islands	Limited partnership	USD105,000	47.62%	47.62%	(iv)	Investment management
(21) Delos China (HK) Limited	Hong Kong	Limited company	USD16,000	25%	25%	(ii)	Healthy renovation service
(22) 北京融平企業管理服務有限公司	PRC	Limited liability company	RMB1,388,000	49%	49%	(iii)	Land and property development

## 15 INVESTMENTS IN ASSOCIATES (Continued)

(a) Following are the details of part of the associates of the Group at 31 December 2021 (Continued):

Name	Country of incorporation and operation	Legal status	Issued/paid in capital (In thousand)	Effective interest held as at 31 December 2021	Effective interest held as at 31 December 2020	Nature of the relationship	Principal activities
(23) 上海棟鼎企業管理有限公司	PRC	Limited liability company	RMB30,000	49%	49%	(iv)	Investment property development
(24) 北京誼城置業有限公司	PRC	Limited liability company	RMB10,000	21%	21%	(ii)	Land and property development
(25) Fortune Joy Ventures Limited	BVI	Limited liability company	USD580,000	49%	49%	(v)	Investment management
(26) 上饒市棕遠生態環境有限公司	PRC	Limited liability company	RMB320,000	28.98%	28.98%	(v)	Environmental governance
(27) 北京遠創置業有限公司	PRC	Limited liability company	RMB300,000	51%	51%	(ii)	Land and property development
(28) 北京金開旭泰房地產開發有限公司	PRC	Limited liability company	RMB1,360,000	16%	16%	(i),(ii)	Land and property development
(29) 北京駿洋時代置業有限公司	PRC	Limited liability company	RMB320,000	51%	51%	(ii)	Land and property development
(30) 納什空間創業科技(北京)有限公司	PRC	Limited liability company	RMB73,000	20%	20%	(iv)	Office services
(31) Gemini Investments (Holdings) Limited 盛洋投資(控股)有限公司	Hong Kong	Limited company	HKD22,550	25%	25%	(vi)	Investment management
(32) 石家莊遠福房地產開發有限公司	PRC	Limited liability company	RMB10,000	40%	–	(ii)	Investment property development
(33) 佛山市遠凱房地產開發有限公司	PRC	Limited liability company	RMB50,000	49%	–	(ii)	Investment property development
(34) 重慶遠基房地產開發有限公司	PRC	Limited liability company	RMB667,000	40%	50%	(ii),(iii)	Land and property development

## 15 INVESTMENTS IN ASSOCIATES (Continued)

(a) Following are the details of part of the associates of the Group at 31 December 2021 (Continued):

Among the associates mentioned above, Beijing Capital Grand Limited and Gemini Investments (Holdings) Limited are listed on Stock Exchange of Hong Kong Limited, the quoted fair value and carrying amount of these associates are presented as below:

Name	Country of incorporation and operation	Legal status	Quoted market value		Carrying amount	
			2021 RMB'000	2020 RMB'000	2021 RMB'000	2020 RMB'000
(1) Beijing Capital Grand Limited	Cayman Islands and PRC	Limited liability company	<b>79,000</b>	81,000	<b>96,040</b>	132,014
(2) Gemini Investments (Holdings) Limited	Hong Kong	Limited company	<b>84,000</b>	153,000	<b>202,033</b>	154,095

Even though quoted market values of equity investments mentioned above are less than carrying amounts respectively, the recoverable amounts, which are determined by the value-in-use of net assets of these companies attributable to the Group, are higher than the carrying amounts respectively, no impairment charge is recognised for the investments.

- (i) Although the Group holds less than 20% of the equity shares of these entities, the Group exercises significant influence under the contractual agreements in the strategic financial and operating policy decisions of these companies.
- (ii) Investments in these associates provide more business opportunities in property development.
- (iii) Investments in these associates provide more opportunities to involve in related services to support property development, such as architectural design and property management.
- (iv) Investments in these associates provide more business opportunities in real estate investment activities.
- (v) Investments in these associates provide more business opportunities in other activities.
- (vi) As at 31 December 2021, the Group has the outstanding capital commitment to associates amounting to approximately RMB496,566,000 (2020: RMB296,244,000).

(b) Individually immaterial associates

The directors considered that none of the associates individually are material to the Group. The Group's interests in individually immaterial associates that are accounted for using the equity method:

	2021 RMB'000	2020 RMB'000
Aggregate carrying amount of individually immaterial associates	<b>6,730,935</b>	6,696,748
Aggregate amounts of the Group's share of:		
Profit from continuing operations	<b>562,425</b>	257,558
Total comprehensive income	<b>562,425</b>	257,558

## 16 FINANCIAL INSTRUMENTS BY CATEGORY

	As at 31 December	
	2021 RMB'000	2020 RMB'000
<b>Financial assets</b>		
Financial assets at amortised cost:		
Trade and other receivables and prepayments	<b>90,476,807</b>	63,486,576
Less: Prepayments	<b>(10,897,431)</b>	(8,320,514)
— Trade and other receivables and prepayments excluding prepayments	<b>79,579,376</b>	55,166,062
— Restricted bank deposits	<b>5,423,573</b>	4,799,837
— Cash and cash equivalents (Note 24)	<b>21,655,471</b>	39,129,442
Financial assets at fair value through other comprehensive income (Note 17)	<b>6,234,811</b>	6,751,919
Financial assets at fair value through profit or loss (Note 18)	<b>5,487,261</b>	5,074,930
	<b>118,380,492</b>	110,922,190
<b>Financial liabilities</b>		
Liabilities at amortised cost:		
— Borrowings (Note 31)	<b>92,224,462</b>	82,203,728
— Lease liabilities (Note 8)	<b>427,073</b>	147,931
— Trade and other payables excluding tax payables	<b>49,310,199</b>	54,359,775
Financial liabilities at fair value through profit or loss (Note 35)	<b>384,193</b>	190,053
	<b>142,345,927</b>	136,901,487

## 17 FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

### (i) Classification of financial assets at fair value through other comprehensive income

Financial assets at fair value through other comprehensive income (FVOCI) comprise:

- Equity securities which are not held for trading, and which the Group has irrevocably elected at initial recognition to recognise in this category. These are strategic investments and the Group considers this classification to be more relevant.

## 17 FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME (Continued)

(ii) Equity investments at fair value through other comprehensive income

	As at 31 December	
	2021 RMB'000	2020 RMB'000
Listed securities (a)	290,823	488,890
Unlisted securities (b)	5,943,988	6,263,029
	6,234,811	6,751,919
Less: Non-current portion	(6,234,811)	(6,751,919)
Current portion	–	–

(a) Investment in listed equity securities is stated at fair value based on the quoted price of the equity securities.

(b) Investment in unlisted equity securities are denominated in HKD and RMB. For the valuation of unlisted equity securities, please refer to Note 4.3.

The following table presents the changes in equity investments at fair value through other comprehensive income for the year ended 31 December 2021:

	Equity investments at fair value through other comprehensive income RMB'000
Opening balance	6,751,919
Fair value losses	(306,251)
Disposal	(147,958)
Currency translation difference	(62,899)
Closing balance	6,234,811

## 17 FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME (Continued)

### (ii) Equity investments at fair value through other comprehensive income (Continued)

The following table presents the changes in equity investments at fair value through other comprehensive income for the year ended 31 December 2020:

	Equity investments at fair value through other comprehensive income RMB'000
Opening balance	2,715,647
Fair value losses	(23,269)
Increase due to disposal of a subsidiary	3,643,025
Increase due to deemed disposal of an associate (Note 15)	457,177
Currency translation difference	(40,661)
Closing balance	6,751,919

## 18 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

### (i) Classification of financial assets at fair value through profit or loss

The Group classifies the following financial assets at fair value through profit or loss (FVPL):

- debt investments that do not qualify for measurement at either amortised cost or FVOCI, and
- equity investments that are held for trading, and
- equity investments for which the entity has not elected to recognise fair value gains and losses through OCI.

## 18 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (Continued)

### (i) Classification of financial assets at fair value through profit or loss (Continued)

Financial assets mandatorily measured at FVPL include the following:

	As at 31 December	
	2021	2020
	RMB'000	RMB'000
Investment in fund and bond investments	4,839,591	4,756,524
Investment in other unlisted equity securities	290,548	307,246
Investment in listed equity securities	10,473	11,160
Derivative financial instruments (Note 47)	346,649	–
	5,487,261	5,074,930
Less: Non-current portion	(4,924,143)	(5,063,770)
Current portion	563,118	11,160

Changes in fair values of financial assets at fair value through profit or loss are recorded in “other gains — net” in the income statement.

### (ii) Amounts recognised in profit or loss

During the year, the following (losses)/gains were recognised in profit or loss:

	Year ended 31 December	
	2021	2020
	RMB'000	RMB'000
Fair value (losses)/gains recognised in other gains — net	(317,528)	516,728

### (iii) Risk exposure and fair value measurements

Information about the Group's exposure to price risk is provided in Note 4.1. For information about the methods and assumptions used in determining fair value please as to Note 4.3.



## 19 PROPERTIES UNDER DEVELOPMENT

	Year ended 31 December	
	2021 RMB'000	2020 RMB'000
At beginning of the year	<b>74,718,502</b>	60,378,181
Additions	<b>65,388,687</b>	63,341,934
Transfer from property, plant and equipment (Note 7)	<b>613,291</b>	23,948
Transfer from investment properties (Note 12)	<b>95,476</b>	–
Disposal of interests in subsidiaries	<b>(9,270,878)</b>	(8,345,752)
Provision for impairment	<b>(96,790)</b>	(262,720)
Transfer to property, plant and equipment (Note 7)	–	(211,360)
Transfer to completed properties held for sale	<b>(49,734,610)</b>	(39,965,841)
Recognised in cost of sales	<b>(379,413)</b>	(239,888)
At end of the year	<b>81,334,265</b>	74,718,502
Properties under development comprises:		
Land use rights	<b>46,188,044</b>	45,826,754
Construction costs and capitalized expenditure	<b>25,247,808</b>	21,215,934
Interest capitalized	<b>9,898,413</b>	7,675,814
	<b>81,334,265</b>	74,718,502

Properties under development are mainly located in the PRC. As at 31 December 2021, properties under development of approximately RMB17,065,869,000 (2020: RMB8,975,042,000) were pledged as collateral for the Group's borrowings.

All properties under development are expected to be completed within the normal operating cycle of the Group, in which approximately RMB52,667,783,000 (2020: RMB47,821,507,000) is expected to be completed and available for sale more than twelve months after the balance sheet date.

## 20 LAND DEVELOPMENT COST RECOVERABLE

Land development cost recoverable refers to capitalised costs on primary land development projects. The land use right certificates belong to the government for these projects. Main activities for primary land development projects included house dismantlement and land leveling works, in order to make sure the land is connected to water, gas, and electric power supplies.

## 21 TRADE AND OTHER RECEIVABLES AND PREPAYMENTS

	As at 31 December	
	2021	2020
	RMB'000	RMB'000
Trade receivables (a)	<b>6,036,278</b>	4,224,342
Other receivables and prepayments (b)	<b>84,440,529</b>	59,262,234
	<b>90,476,807</b>	63,486,576
Less: non-current portion	<b>(12,506,992)</b>	(12,289,424)
Current portion	<b>77,969,815</b>	51,197,152

## 21 TRADE AND OTHER RECEIVABLES AND PREPAYMENTS (Continued)

### (a) Trade receivables

	As at 31 December	
	2021 RMB'000	2020 RMB'000
Trade receivables	<b>6,186,858</b>	4,373,540
Less: provision for impairment of trade receivables	<b>(150,580)</b>	(149,198)
	<b>6,036,278</b>	4,224,342
Less: non-current portion	–	–
Current portion	<b>6,036,278</b>	4,224,342

Proceeds from services and sales rendered are to be received in accordance with the term of respective agreement, and the credit term is very short. An ageing analysis of trade receivables mainly based on invoice or bills issuance date at the respective balance sheet dates is as follows:

	As at 31 December	
	2021 RMB'000	2020 RMB'000
Within 6 months	<b>3,747,552</b>	2,765,858
Between 6 months to 1 year	<b>980,880</b>	865,767
Between 1 year to 2 years	<b>1,144,667</b>	606,844
Between 2 years to 3 years	<b>214,573</b>	80,743
Over 3 years	<b>99,186</b>	54,328
	<b>6,186,858</b>	4,373,540

As at 31 December 2021, no trade receivables (2020: nil) were pledged as collateral for the Group's borrowings.

Movements on the provision for impairment of trade receivables are as follows:

	As at 31 December	
	2021 RMB'000	2020 RMB'000
At 1 January	<b>(149,198)</b>	(132,932)
Provision for receivable impairment	<b>(57,406)</b>	(46,963)
Write-off	<b>56,024</b>	30,697
At 31 December	<b>(150,580)</b>	(149,198)

## 21 TRADE AND OTHER RECEIVABLES AND PREPAYMENTS (Continued)

### (b) Other receivables and prepayments

	As at 31 December					
	Current RMB'000	2021 Non-current RMB'000	Total RMB'000	Current RMB'000	2020 Non-current RMB'000	Total RMB'000
Entrusted loans due from joint ventures (i)	2,399,956	5,632,615	8,032,571	708,680	5,659,756	6,368,436
Entrusted loans due from associates (ii)	5,130,863	38,015	5,168,878	160,384	3,434,933	3,595,317
Entrusted loans due from third parties (iii)	1,933,947	1,629,544	3,563,491	749,767	1,027,967	1,777,734
Entrusted loan due from non-controlling interests (iv)	15,000	310,000	325,000	312,700	325,000	637,700
Amounts due from joint ventures (v)	24,902,831	1,906,179	26,809,010	18,329,200	–	18,329,200
Amounts due from non-controlling interests (v)	8,307,710	–	8,307,710	5,215,269	–	5,215,269
Amounts due from associates (v)	7,722,884	–	7,722,884	2,944,124	–	2,944,124
Amounts due from third parties (iii)	2,500,802	–	2,500,802	1,998,467	–	1,998,467
	52,913,993	9,516,353	62,430,346	30,418,591	10,447,656	40,866,247
Less: provision for impairment	(192,548)	(31,686)	(224,234)	(129,838)	–	(129,838)
	52,721,445	9,484,667	62,206,112	30,288,753	10,447,656	40,736,409
Receivables from government (vi)	2,547,202	–	2,547,202	2,702,459	–	2,702,459
Payment for the cooperation of potential properties development projects (vii)	2,778,550	–	2,778,550	2,048,222	1,025,010	3,073,232
Receivables from disposal of interest in subsidiaries	8,004	2,586,295	2,594,299	1,018,951	–	1,018,951
Other receivables	3,335,039	200,000	3,535,039	3,303,168	200,000	3,503,168
	8,668,795	2,786,295	11,455,090	9,072,800	1,225,010	10,297,810
Less: provision for impairment	(84,882)	(33,222)	(118,104)	(92,499)	–	(92,499)
	8,583,913	2,753,073	11,336,986	8,980,301	1,225,010	10,205,311
Tax prepayments	9,573,304	2,060	9,575,364	6,398,941	199,626	6,598,567
Other prepayments	1,054,875	267,192	1,322,067	1,304,815	417,132	1,721,947
	10,628,179	269,252	10,897,431	7,703,756	616,758	8,320,514
Total other receivables and prepayments	71,933,537	12,506,992	84,440,529	46,972,810	12,289,424	59,262,234

## 21 TRADE AND OTHER RECEIVABLES AND PREPAYMENTS (Continued)

### (b) Other receivables and prepayments (Continued)

- (i) Entrusted loans due from joint ventures are unsecured, interest bearing from 3.38% to 13% (2020: from 3.38% to 13%) per annum. Balances of approximately RMB2,399,956,000 (2020: RMB708,680,000) are repayable within one year. The remaining balances of approximately RMB5,632,615,000 (2020: RMB5,659,756,000) are repayable after one year and included in the non-current portion.
- (ii) Entrusted loans due from associates are unsecured, interest bearing from 4.28% to 15% (2020: from 8% to 15%) per annum. Balances of approximately RMB5,130,863,000 (2020: RMB160,384,000) are repayable within one year. The remaining balances of approximately RMB38,015,000 (2020: RMB3,434,933,000) are repayable after one year and included in the non-current portion.
- (iii) Entrusted loans and amounts due from third parties represent amounts paid to joint ventures and associates of the Group's joint ventures and associates in order to support the development of their real estate projects. As the Group has no direct equity interests in these companies to which the amounts paid are classified as entrusted loans and amounts due from third parties.

As at 31 December 2021 and 2020, entrusted loans to third parties comprised:

	As at 31 December	
	2021	2020
	RMB'000	RMB'000
Unsecured loans	<b>3,563,491</b>	1,777,734
Less: Non-current portion	<b>(1,629,544)</b>	(1,027,967)
	<b>1,933,947</b>	749,767

- Unsecured loans bear interest ranging from 5.50% to 13% (2020: from 5.50% to 13%) per annum.

Amounts due from third parties are unsecured, interest free, and repayable on demand.

## 21 TRADE AND OTHER RECEIVABLES AND PREPAYMENTS (Continued)

### (b) Other receivables and prepayments (Continued)

- (iv) Entrusted loans due from non-controlling interests are unsecured, bearing interest from 7% to 10% (2020: from 8% to 9%) per annum. Balances of approximately RMB15,000,000 (2020: RMB312,700,000) are repayable within one year. The remaining balances of approximately RMB310,000,000 (2020: RMB325,000,000) are repayable after one year and included in the non-current portion.
- (v) Amounts due from joint ventures, associates and non-controlling interests are unsecured, interest free, and repayable on demand.
- (vi) Receivables from government mainly represent payments made for land development cost, deposits paid to government in the activities of land purchasing, and funds to government for cooperation intention in real estate project development, which will be subsequently reimbursed by the government.
- (vii) Amounts mainly represent the payment for cooperation of potential properties development projects. As at 31 December 2021, such cooperation is still in negotiation stage. Balances of approximately RMB150,000,000 (2020: RMB1,375,010,000) are unsecured, interest bearing 8.8% (2020: from 5% to 8.8%) per annum. The remaining balances of approximately RMB2,628,550,000 (2020: RMB1,698,222,000) are unsecured and interest free. Balances of approximately RMB2,778,550,000 (2020: RMB2,048,222,000) are repayable on demand.

The maximum exposure to credit risk at the reporting date is the carrying amount of each class of receivable mentioned above. The carrying amounts of the Group's trade and other receivables and prepayments are mainly denominated in RMB.

The carrying amounts of trade and other receivables and prepayments approximate their respective fair values as at 31 December 2021 and 2020.

## 22 COMPLETED PROPERTIES HELD FOR SALE

All completed properties held for sale are located in the PRC on leasehold lands with lease terms between 40 to 70 years.

	As at 31 December	
	2021	2020
	RMB'000	RMB'000
Completed properties held for sale comprised:		
Land use rights	8,539,796	4,869,447
Construction costs and capitalised expenditure	11,656,138	10,537,928
Interest capitalised	3,302,369	2,667,367
	<b>23,498,303</b>	18,074,742

Movements on the provision for impairment of completed properties held for sale are as follows:

	As at 31 December	
	2021	2020
	RMB'000	RMB'000
At beginning of the year	340,390	620,733
Addition	125,629	176,525
Write-off upon sales of completed properties held for sale	(228,995)	(456,868)
At end of the year	<b>237,024</b>	340,390

As at 31 December 2021, completed properties held for sale of approximately RMB250,000,000 (2020: RMB513,727,000) were pledged as collateral for the Group's borrowings.

## 23 RESTRICTED BANK DEPOSITS

Restricted bank deposits are mainly denominated in RMB, which are guaranteed deposits for the mortgage loan facilities granted by the banks to the purchasers of the Group's properties, as well as for projects co-developed with third parties. The balances also include guaranteed deposits placed in the banks, as guaranteed funds of construction projects to meet certain local authorities' requirements. The effective interest rate on restricted bank deposits ranging from 0.30% to 0.35% per annum for the year ended 31 December 2021.

## 24 CASH AND CASH EQUIVALENTS

	As at 31 December	
	2021 RMB'000	2020 RMB'000
Cash at bank and in hand	21,644,415	34,086,609
Short-term bank deposits	11,056	5,042,833
Cash and cash equivalents	21,655,471	39,129,442
Denominated in:		
— RMB	18,697,399	35,422,378
— HKD	164,271	2,090,101
— USD	2,793,801	1,616,952
— Other currencies	—	11
	21,655,471	39,129,442

The Group's cash and cash equivalents denominated are deposited with banks in the Mainland China and Hong Kong, respectively. The conversion of the RMB denominated balances into foreign currencies, which are placed within the PRC, is subject to the rules and regulations of foreign exchange control promulgated by the PRC Government.

## 25 CAPITAL

	Number of ordinary shares	Share capital HKD'000	Equivalent share capital RMB'000	Shares held for Restricted Share Award Scheme RMB'000	Total RMB'000
Opening balance 1 January 2021	7,616,095,657	30,413,634	27,329,232	—	27,329,232
Issue of shares pursuant to exercise of employee share options	—	—	—	—	—
Vesting of shares under Restricted Share Award Scheme	—	—	—	—	—
	7,616,095,657	30,413,634	27,329,232	—	27,329,232
Restricted Share Award Scheme (a)					
Opening balance 1 January 2021	(54,364,745)	—	—	(179,840)	(179,840)
Shares purchased during the year	(7,000,000)	—	—	(9,653)	(9,653)
Vesting of shares under Restricted Share Award Scheme	42,914,543	—	—	137,176	137,176
	(18,450,202)	—	—	(52,317)	(52,317)
At 31 December 2021	7,597,645,455	30,413,634	27,329,232	(52,317)	27,276,915



## 25 CAPITAL (Continued)

	Number of ordinary shares	Share capital HKD'000	Equivalent share capital RMB'000	Shares held for Restricted Share Award Scheme RMB'000	Total RMB'000
Opening balance 1 January 2020	7,616,095,657	30,413,634	27,329,232	–	27,329,232
Issue of shares pursuant to exercise of employee share options	–	–	–	–	–
Vesting of shares under Restricted Share Award Scheme	–	–	–	–	–
	7,616,095,657	30,413,634	27,329,232	–	27,329,232
Restricted Share Award Scheme (a)					
Opening balance 1 January 2020	(49,800,640)	–	–	(167,227)	(167,227)
Shares purchased during the year	(5,221,555)	–	–	(14,831)	(14,831)
Vesting of shares under Restricted Share Award Scheme	657,450	–	–	2,218	2,218
	(54,364,745)	–	–	(179,840)	(179,840)
At 31 December 2020	7,561,730,912	30,413,634	27,329,232	(179,840)	27,149,392

- (a) On 22 March 2010, the Board of the Company resolved to adopt a Restricted Share Award Scheme, the purpose of the Scheme is to recognise and motivate the contribution of certain employees and to provide incentives and help the Group in retaining its existing employees and recruiting additional employees and to provide them with a direct economic interest in attaining the long-term business objectives of the Company.

Restricted Share Award Scheme was administered by an independent trustee appointed by the Group, the trustee shall purchase from the market such number of shares awarded as specified by the Board of the Company and shall hold such shares until they are vested in accordance with the Restricted Share Award Scheme Rules. When the selected employee has satisfied all vesting conditions specified by the Board of the Company at the time of making the award and become entitled to the shares forming the subject of the award, the trustee shall transfer the relevant vested shares to that employee.

## 25 CAPITAL (Continued)

Movements in the number of awarded shares for the years ended 31 December 2021 and 2020 are as follows:

	Shares (thousands)
At 1 January 2021	<b>68,663</b>
Granted	–
Vested	<b>(42,915)</b>
At 31 December 2021	<b>25,748</b>
At 1 January 2020	658
Granted	68,663
Vested	(658)
At 31 December 2020	68,663

The fair value of the awarded shares was calculated based on the market price of the Company's shares at the respective grant date. The expected dividends during the vesting period have been taken into account when assessing the fair value of these awarded shares.

The outstanding awarded shares as of 31 December 2021 were divided into several tranches on an equal basis as at their grant dates. The outstanding awarded shares will be exercised after a specified period ranging from one to three years from the grant date.

## 26 RETAINED EARNINGS

	Year ended 31 December	
	2021 RMB'000	2020 RMB'000
At 1 January	<b>26,098,570</b>	23,877,717
Profit for the year	<b>2,729,143</b>	2,866,283
Dividends relating to 2019	–	(181,298)
Dividends relating to 2020 (Note 43)	<b>(571,239)</b>	(416,333)
Dividends relating to 2021 (Note 43)	<b>(347,595)</b>	–
Transfer to statutory reserve fund	<b>(24,092)</b>	(47,799)
At 31 December	<b>27,884,787</b>	26,098,570

## 27 RESERVES

	Merger reserve RMB'000	Statutory reserve RMB'000	Translation reserve RMB'000	Investment revaluation reserve RMB'000	Employee share option RMB'000	Restricted Share Award Scheme RMB'000	Other reserve RMB'000	Total RMB'000
At 1 January 2021	(763,427)	1,572,845	381,820	(1,113,259)	591,595	68,854	(337,454)	400,974
Fair value losses on financial assets at fair value through other comprehensive income	-	-	-	(307,251)	-	-	-	(307,251)
Deferred hedging gains and losses	-	-	-	-	-	-	5,171	5,171
Currency translation differences	-	-	386,087	-	-	-	-	386,087
Expense on share-based payment	-	-	-	-	23,694	48,466	-	72,160
Vesting of shares under Restricted Share Award Scheme	-	-	-	-	-	(137,176)	-	(137,176)
Transfer from retained earnings	-	24,092	-	-	-	-	-	24,092
Share of other comprehensive income of investments accounted for using the equity method	-	-	-	-	-	-	12,545	12,545
Decrease in non-controlling interests as a result of acquisition of additional interests in a subsidiary from non-controlling interests	-	-	-	-	-	-	(544,493)	(544,493)
At 31 December 2021	(763,427)	1,596,937	767,907	(1,420,510)	615,289	(19,856)	(864,231)	(87,891)

## 27 RESERVES (Continued)

	Merger reserve RMB'000	Statutory reserve RMB'000	Translation reserve RMB'000	Investment revaluation reserve RMB'000	Employee share option RMB'000	Restricted Share Award Scheme RMB'000	Other reserve RMB'000	Total RMB'000
At 1 January 2020	(763,427)	1,525,046	(387,228)	(1,092,650)	436,790	2,158	(853,225)	(1,132,536)
Fair value losses on financial assets at fair value through other comprehensive income	–	–	–	(20,609)	–	–	–	(20,609)
Deferred hedging gains and losses	–	–	–	–	–	–	(62,017)	(62,017)
Currency translation differences	–	–	769,048	–	–	–	–	769,048
Expense on share-based payment	–	–	–	–	154,805	68,914	–	223,719
Vesting of shares under Restricted Share Award Scheme	–	–	–	–	–	(2,218)	–	(2,218)
Transfer from retained earnings	–	47,799	–	–	–	–	–	47,799
Contribution from non-controlling interests	–	–	–	–	–	–	627,755	627,755
Cancellation of convertible preferred shares issued by the subsidiary	–	–	–	–	–	–	(44,001)	(44,001)
Decrease in non-controlling interests as a result of disposal of subsidiaries	–	–	–	–	–	–	(12,328)	(12,328)
Increase in non-controlling interests as a result of acquisition of additional interests in a subsidiary from non-controlling interests	–	–	–	–	–	–	6,362	6,362
At 31 December 2020	(763,427)	1,572,845	381,820	(1,113,259)	591,595	68,854	(337,454)	400,974

Statutory reserves represent reserves of the PRC incorporated companies which are set aside for future development purposes in accordance with the regulations in the PRC. The allocation is based on certain percentages of the companies' profit of the year, which is allocated on an annual basis.

## 28 SHARE OPTIONS

The establishment of the Group's shares schemes plan was approved on 3 September 2007 and 6 August 2018, respectively by the shareholders. The share option plan is designed to provide long-term incentives for senior managers and above to deliver long-term shareholder returns. Under the schemes, participants are granted options which only vest if certain performance standards are met. Participation in the plan is at the Board's discretion and no individual has a contractual right to participate in the plan or to receive any guaranteed benefits.

Share options granted from 2015 to 2017 are granted to several directors and to selected employees, in which 40% of the options are exercisable after 1 year from the grant date; additional 30% of the options are exercisable after 2 years from the grant date, and remaining 30% of the options are exercisable after 3 years from the grant date.

Share options granted from 2018 to 2019 are granted to several directors and to selected employees, in which 50% of the options are exercisable after 1 year from the grant date, and remaining 50% of the options are exercisable after 2 years from the grant date.

Share options granted in 2020 are granted to several directors and to selected employees, in which 50% of the options are exercisable after 1 year from the grant date, and remaining 50% of the options are exercisable after 2 years from the grant date.

The options have a contractual option term of 5 years. The Group has no legal or constructive obligation to repurchase or settle the options in cash.

Movements in the number of share options outstanding and their related weighted average exercise prices are as follows:

	<b>Average exercise price per share (HKD)</b>	<b>Shares (thousands)</b>
At 1 January 2021	<b>3.63</b>	<b>873,119</b>
Lapsed during the year	<b>3.82</b>	<b>(88,490)</b>
At 31 December 2021	<b>3.60</b>	<b>784,629</b>

Out of the 784,629,000 outstanding options (2020: 873,119,000), 783,129,000 (2020: 870,119,000) were exercisable as at 31 December 2021.

As a result of the options exercised during the year ended 31 December 2021, Nil ordinary shares (2020: Nil) were issued by the Company. The weighted average price of the shares at 2021 was HKD3.62 per share.

## 28 SHARE OPTIONS (Continued)

Share options outstanding as at 31 December 2021 have the following expiry dates and exercise prices:

Expiry date	Exercise price per share (HKD)	Shares (thousands)
24-Aug-2022	4.700	40,500
04-Sep-2023	3.960	232,600
27-Mar-2024	3.370	508,529
25-Mar-2025	2.106	3,000
		784,629

## 29 CAPITAL SECURITIES

On 21 September 2017, Sino-Ocean Land Treasure III Limited (“Sino-Ocean Land III”), a wholly owned subsidiary, issued perpetual subordinated guaranteed capital securities (“capital securities”), which are callable, with initial aggregate principal amount of approximately USD 600,000,000.

The capital securities have no maturity date, and the payments of distribution of such capital securities can be deferred at the discretion of Sino-Ocean Land III. When Sino-Ocean Land III and the Company elects to declare dividends to their shareholders, Sino-Ocean Land III should make a distribution at an initial rate of 4.9% per annum, as defined in the subscription agreement. Such capital securities are guaranteed by the Company.

### 30 CAPITAL INSTRUMENT

- (a) On 18 and 25 February 2020, Sino-Ocean Holding Group (China) Limited (“Sino-Ocean Holding”), a wholly owned subsidiary, issued capital instruments, which are callable only at the Company’s discretion. As at 31 December 2021, the carrying amount from the capital instrument amounted to approximately RMB3,378,000,000. The capital instrument have no maturity date, and the payments of distribution of such capital instrument can be deferred at the discretion of Sino-Ocean Holding. When Sino-Ocean Holding and the Company elect to declare dividends to their shareholders, Sino-Ocean Holding should make a distribution to the holders of the capital instrument at the distribution rate as defined in the subscription agreement.
- (b) On 26 June 2019, Sino-Ocean Holding issued a capital instrument, which is callable only at the Company’s discretion. As at 31 December 2021, the carrying amount from the capital instrument amounted to approximately RMB981,000,000. The capital instrument have no maturity date, and the payments of distribution of such capital instrument can be deferred at the discretion of Sino-Ocean Holding. When Sino-Ocean Holding and the Company elect to declare dividends to their shareholders, Sino-Ocean Holding should make a distribution to the holders of the capital instrument at the distribution rate as defined in the subscription agreement.

### 31 BORROWINGS

	As at 31 December	
	2021 RMB’000	2020 RMB’000
<b>Non-current</b>		
Bank borrowings (a)	<b>27,691,263</b>	20,627,366
Other borrowings (b)	<b>45,865,571</b>	35,642,489
Total non-current borrowings	<b>73,556,834</b>	56,269,855
<b>Current</b>		
Current portion of long-term bank borrowings (a)	<b>3,427,455</b>	3,317,423
Current portion of long-term other borrowings (b)	<b>13,841,064</b>	21,469,137
Short-term bank borrowings (a)	<b>1,297,767</b>	647,313
Short-term other borrowings (b)	<b>101,342</b>	500,000
Total current borrowings	<b>18,667,628</b>	25,933,873
<b>Total borrowings</b>	<b>92,224,462</b>	82,203,728

- (a) As at 31 December 2021, bank borrowings amounting to approximately RMB12,235,636,000 were secured by investment properties, property, plant and equipment, properties under development, completed properties held for sale and equity interest in certain subsidiaries of the Group.

As at 31 December 2020, bank borrowings amounting to approximately RMB5,012,388,000 were secured by investment properties, properties under development, completed properties held for sale and equity interest in certain subsidiaries of the Group.

## 31 BORROWINGS (Continued)

### (b) Other borrowings

	As at 31 December	
	2021 RMB'000	2020 RMB'000
Bond issuance (i)	<b>28,024,025</b>	29,303,139
Guaranteed notes (ii)	<b>21,536,630</b>	21,890,554
Borrowings from trust companies (iii)	<b>5,995,250</b>	3,276,900
Asset-backed securitisation (iv)	<b>3,184,599</b>	2,564,173
Borrowings from a non-controlling interest (v)	<b>1,067,473</b>	576,860
	<b>59,807,977</b>	57,611,626
Less: non-current portion	<b>(45,865,571)</b>	(35,642,489)
Current portion	<b>13,942,406</b>	21,969,137

(i) In 2021, Sino-Ocean Holding, a wholly owned subsidiary of the Company, issued bonds with a total principal amount of RMB1,950,000,000 with coupon rate of 4.06% per year of a term of five years.

In 2021, Sino-Ocean Holding, a wholly owned subsidiary of the Company, issued bonds with a total principal amount of RMB2,600,000,000 with coupon rate of 4.20% per year of a term of five years.

In 2021, Sino-Ocean Holding, a wholly owned subsidiary of the Company, issued bonds with a total principal amount of RMB3,000,000,000 with coupon rate of 4.30% per year of a term of two years.

In 2021, Sino-Ocean Holding, a wholly owned subsidiary of the Company, issued bonds with a total principal amount of RMB3,000,000,000 with coupon rate of 4.60% per year of a term of three years.

In 2020, Sino-Ocean Holding, a wholly owned subsidiary of the Company, issued bonds with a total principal amount of RMB352,000,000 with coupon rate of 4.20% per year of a term of two years.

In 2020, Sino-Ocean Holding, a wholly owned subsidiary of the Company, issued bonds with a total principal amount of RMB500,000,000 with coupon rate of 5.70% per year of a term of two years.



## 31 BORROWINGS (Continued)

### (b) Other borrowings (Continued)

In 2020, Sino-Ocean Holding, a wholly owned subsidiary of the Company, issued bonds with a total principal amount of RMB490,000,000 with coupon rate of 5.20% per year of a term of two years.

In 2020, Sino-Ocean Holding, a wholly owned subsidiary of the Company, issued bonds with a total principal amount of RMB2,000,000,000 with coupon rate of 3.35% per year of a term of three years.

In 2019, Sino-Ocean Holding, a wholly owned subsidiary of the Company, issued bonds in an aggregate amount of RMB2,900,000,000 in two series: (i) RMB1,700,000,000 with coupon rate of 4.06% per year of a term of five years; (ii) RMB1,200,000,000 with coupon rate of 4.59% per year of a term of seven years.

In 2018, Sino-Ocean Holding, a wholly owned subsidiary of the Company, issued bonds with a total principal amount of RMB2,000,000,000 with maturity period of 5 years and annual interest rate of 4%.

In 2017, the Company issued the first tranche Medium-term Notes in an aggregate amount of RMB4,000,000,000 in two series: (i) RMB2,000,000,000 with coupon rate of 4.77% per year of a term of three years, which has been repaid in 2020; (ii) RMB2,000,000,000 with coupon rate of 5.05% per year of a term of five years.

In 2017, Sino-Ocean Holding, a wholly owned subsidiary of the Company, issued bonds with a total principal amount of RMB1,000,000,000 with maturity period of 5 years and annual interest rate of 4.29%.

In 2015, Sino-Ocean Holding, a wholly owned subsidiary of the Company, issued bonds with a total principal amount of RMB10,000,000,000. The first phase of the bonds is issued in August with an aggregate principal amount of RMB5,000,000,000 in three series: (i) RMB2,000,000,000 with maturity period of 5 years and annual interest rate of 3.78%, which has been repaid in 2020; (ii) RMB1,500,000,000 with maturity period of 7 years and annual interest rate of 4.15%; (iii) RMB1,500,000,000 with maturity period of 10 years and annual interest rate of 5.00%. The second phase of the bonds is issued in October with an aggregate principal amount of RMB5,000,000,000 in two series: (i) RMB2,000,000,000 with maturity period of 6 years and annual interest rate of 3.85%, which has been repaid in 2021; (ii) RMB3,000,000,000 with maturity period of 10 years and annual interest rate of 4.76%.

## 31 BORROWINGS (Continued)

### (b) Other borrowings (Continued)

- (ii) In July 2021, Sino-Ocean Land Treasure IV Limited, a wholly-owned subsidiary, issued a guaranteed note with a total principal amount of USD320,000,000 with a maturity period of 3.5 years and annual interest rate of 2.70%.

In May 2021, Sino-Ocean Land Treasure IV Limited, a wholly-owned subsidiary, issued a guaranteed note with a total principal amount of USD400,000,000 with a maturity period of 5 years and annual interest rate of 3.25%.

In January 2020, Sino-Ocean Land Treasure IV Limited, a wholly-owned subsidiary, issued a guaranteed note with a total principal amount of USD400,000,000 with a maturity period of 10 years and annual interest rate of 4.75%.

In August 2019, Sino-Ocean Land Treasure IV Limited, a wholly-owned subsidiary, issued a guaranteed note with a total principal amount of USD600,000,000 with a maturity period of 10 years and annual interest rate of 4.75%.

In January 2019, Sino-Ocean Land Treasure IV Limited, a wholly-owned subsidiary, issued a guaranteed note with a total principal amount of USD500,000,000 with a maturity period of 3 years and annual interest rate of 5.25%.

In January 2015, Sino-Ocean Land Treasure Finance II Limited, a wholly-owned subsidiary, issued a guaranteed note with principal amount of USD500,000,000 at a rate of 5.95% per annum due in 2027 (the "2027 Notes"). The notes are unsecured and guaranteed by the Company.

In July 2014, Sino-Ocean Land Treasure Finance I Limited, a wholly-owned subsidiary, issued a guaranteed note with principal amount of USD700,000,000 at a rate of 6.00% per annum due in 2024 (the "2024 Notes").

- (iii) Such loans bear interest rate from 4.2% to 10.9% per annum, and loans of approximately RMB3,332,150,000 (2020: RMB1,906,900,000) are repayable after one year are included in non-current portion.

As at 31 December 2021, loans amounting to approximately RMB1,775,250,000 were secured by properties under development and equity interests in a certain subsidiary of the Group.

As at 31 December 2020, loans amounting to approximately RMB1,632,900,000 were secured by properties under development and equity interests in a certain subsidiary of the Group.

## 31 BORROWINGS (Continued)

### (b) Other borrowings (Continued)

- (iv) In July 2021, Sino-Ocean Holding entered into asset-backed special agreement with a third-party financing company in the form of asset securitisation. Asset-backed securities are divided into priority level and subprime level with total principal of RMB3,200,000,000 and RMB1,000,000 respectively. The Group held all the subprime level asset-backed securities in the year ended 31 December 2021. The priority level securities were guaranteed by Sino-Ocean Holding, and secured by property, plant and equipment, land use rights and investment properties of the Group. As at 31 December 2021, borrowings of approximately RMB3,184,599,000 of the principal remained outstanding.
- (v) Borrowings from a non-controlling interest bear interest rate from 7.00% to 10.00% per annum, and borrowings of approximately RMB800,921,000 (2020: RMB576,860,000) are repayable after one year are included in non-current portion.

### (c) The maturities of the Group's total borrowings at respective balance sheet dates are set out as follows:

	As at 31 December	
	2021	2020
	Bank and other borrowings RMB'000	Bank and other borrowings RMB'000
Total borrowings		
— Within 1 year	18,667,628	25,933,873
— Between 1 and 2 years	17,353,663	17,459,404
— Between 2 and 5 years	46,076,855	27,004,933
— Over 5 years	10,126,316	11,805,518
	<b>92,224,462</b>	<b>82,203,728</b>

### 31 BORROWINGS (Continued)

(d) The Group's borrowings denominated in RMB, HKD and USD respectively are set out as follows:

	As at 31 December	
	2021 RMB'000	2020 RMB'000
Denominated in:		
— RMB	<b>53,337,727</b>	43,768,748
— HKD	<b>14,744,058</b>	13,756,489
— USD	<b>24,142,677</b>	24,678,491
	<b>92,224,462</b>	82,203,728

(e) The weighted average effective annual interest rates at the respective balance sheet dates are set out as follows:

	As at 31 December	
	2021 Interest rate (per annum)	2020 Interest rate (per annum)
Bank borrowings	<b>4.51%</b>	3.96%
Other borrowings	<b>5.17%</b>	5.53%

(f) The exposure of the Group's borrowings to interest-rate changes and the contractual repricing dates are as follows:

	As at 31 December	
	2021 RMB'000	2020 RMB'000
Within 6 months	<b>27,751,972</b>	30,623,445
Between 6 and 12 months	<b>8,026,880</b>	9,766,701
Between 1 and 5 years	<b>46,464,494</b>	30,161,664
Over 5 years	<b>9,981,116</b>	11,651,918
	<b>92,224,462</b>	82,203,728

(g) The fair value of non-current borrowings approximate their carrying amount, as the impact of discounting is not significant. The fair values are based on cash flows discounted using a rate based on the borrowing rate of 4.51% (2020: 3.96%) and are within Level 2 of the fair value hierarchy.

## 32 DEFERRED INCOME TAX

The analysis of deferred income tax assets and deferred income tax liabilities is as follows:

	As at 31 December	
	2021 RMB'000	2020 RMB'000
Deferred income tax assets:		
— to be recovered after more than 12 months	1,943,425	1,322,147
— to be recovered within 12 months	329,418	601,758
	<b>2,272,843</b>	1,923,905
Set-off of deferred tax assets pursuant to set-off provisions	<b>(288,987)</b>	(151,250)
Net deferred income tax assets	<b>1,983,856</b>	1,772,655
Deferred income tax liabilities:		
— to be settled after more than 12 months	<b>(1,985,640)</b>	(2,871,063)
— to be settled within 12 months	<b>(505,345)</b>	(593,153)
	<b>(2,490,985)</b>	(3,464,216)
Set-off of deferred tax liabilities pursuant to set-off provisions	<b>288,987</b>	151,250
Net deferred income tax liabilities	<b>(2,201,998)</b>	(3,312,966)
Deferred income tax liabilities, net	<b>(218,142)</b>	(1,540,311)

The movement on the deferred income tax account is as follows:

	Year ended 31 December	
	2021 RMB'000	2020 RMB'000
At beginning of the year	1,540,311	1,507,371
Recognised in profit or loss (Note 41)	<b>(712,348)</b>	59,032
Credited to other comprehensive income	<b>(229)</b>	(4,503)
Acquisition of subsidiaries, net	<b>31,527</b>	11,113
Disposal of interests in subsidiaries	<b>(641,119)</b>	(32,702)
At end of the year	<b>218,142</b>	1,540,311

## 32 DEFERRED INCOME TAX (Continued)

The movement in deferred income tax assets and liabilities during the years ended 31 December 2021 and 2020, without taking into consideration the offsetting of balances within the same tax jurisdiction, is as follows:

### Deferred income tax assets

	Future tax deduction on LAT and other accrued expenses RMB'000	Unrealised gains RMB'000	Tax losses RMB'000	Others RMB'000	Total RMB'000
<b>At 1 January 2021</b>	<b>1,726,443</b>	<b>47,759</b>	<b>142,197</b>	<b>7,506</b>	<b>1,923,905</b>
(Charged)/credited to profit or loss	<b>(95,219)</b>	<b>284,607</b>	<b>162,165</b>	–	<b>351,553</b>
Credited to other comprehensive income	–	–	–	<b>(2,418)</b>	<b>(2,418)</b>
Acquisition of subsidiaries	–	–	<b>7,908</b>	–	<b>7,908</b>
Disposal of interests in subsidiaries	–	–	<b>(8,105)</b>	–	<b>(8,105)</b>
<b>At 31 December 2021</b>	<b>1,631,224</b>	<b>332,366</b>	<b>304,165</b>	<b>5,088</b>	<b>2,272,843</b>
At 1 January 2020	1,299,689	77,348	155,968	3,003	1,536,008
Credited/(charged) to profit or loss	438,261	(45,953)	1,553	–	393,861
Credited to other comprehensive income	–	–	–	4,503	4,503
Disposal of interests in subsidiaries	(11,507)	16,364	(15,324)	–	(10,467)
At 31 December 2020	1,726,443	47,759	142,197	7,506	1,923,905

## 32 DEFERRED INCOME TAX (Continued)

Deferred income tax liabilities

	Depreciation difference RMB'000	Investment properties revaluation RMB'000	Assets revaluation RMB'000	Recognition of revenue over time RMB'000	Withholding taxes RMB'000	Others RMB'000	Total RMB'000
<b>At 1 January 2021</b>	<b>(62,291)</b>	<b>(1,674,222)</b>	<b>(855,516)</b>	<b>(516,488)</b>	<b>(310,926)</b>	<b>(44,773)</b>	<b>(3,464,216)</b>
(Charged)/credited to profit or loss	(4,286)	2,577	194,710	70,732	114,891	(17,829)	360,795
Acquisition of subsidiaries	–	–	(39,435)	–	–	–	(39,435)
Disposal of interests in subsidiaries	–	502,554	146,670	–	–	–	649,224
Credited to other comprehensive income	–	–	2,647	–	–	–	2,647
<b>At 31 December 2021</b>	<b>(66,577)</b>	<b>(1,169,091)</b>	<b>(550,924)</b>	<b>(445,756)</b>	<b>(196,035)</b>	<b>(62,602)</b>	<b>(2,490,985)</b>
At 1 January 2020	(55,037)	(1,683,527)	(828,826)	(167,795)	(237,887)	(70,307)	(3,043,379)
(Charged)/credited to profit or loss	(7,254)	9,305	(27,212)	(348,693)	(73,039)	(6,000)	(452,893)
Acquisition of subsidiaries (Note 49)	–	–	(11,113)	–	–	–	(11,113)
Disposal of interests in subsidiaries	–	–	11,635	–	–	31,534	43,169
At 31 December 2020	(62,291)	(1,674,222)	(855,516)	(516,488)	(310,926)	(44,773)	(3,464,216)

## 32 DEFERRED INCOME TAX (Continued)

Deferred income tax assets are recognised for tax loss carry-forwards to the extent that the realization of the related benefit through the future profits is probable. These tax losses are going to expire within five years. The Group did not recognise deferred income tax assets of approximately RMB1,343,655,000 (2020: RMB1,053,360,000) in respect of losses amounting to approximately RMB5,374,620,000 (2020: RMB4,213,440,000) that can be carried forward against future taxable income.

At 31 December 2021, the Group recognised deferred income tax liabilities of approximately RMB196,035,000 (2020: RMB310,926,000) for withholding taxes that would be payable on the unremitted earnings of the Group's subsidiaries established in Mainland China. In the opinion of the directors, it is not probable that the remaining available unremitted earnings of the Group's subsidiaries will be distributed in the foreseeable future according to the distribution and reinvestment plans of the Group. The aggregate amount of temporary differences associated with investments in subsidiaries in Mainland China for which deferred tax liabilities have not been recognised totaled approximately RMB1,450,992,000 at 31 December 2021 (2020: RMB3,739,098,000).

## 33 TRADE AND OTHER PAYABLES

	As at 31 December	
	2021	2020
	RMB'000	RMB'000
Trade payables (i)	20,967,265	19,685,589
Accrued expenses	5,773,016	6,915,241
Amounts due to joint ventures (ii)	6,292,286	7,979,029
Amounts due to associates (ii)	2,035,391	2,462,410
Amounts due to non-controlling interests (ii)	2,252,897	4,419,311
Amounts due to government	46,003	135,416
Other taxes payable	5,944,699	3,185,649
Deposits received	5,729,677	7,324,472
Other payables	6,213,664	5,438,307
	<b>55,254,898</b>	57,545,424
Less: non-current portion	<b>(19,167)</b>	(18,269)
Current portion	<b>55,235,731</b>	57,527,155

The carrying amounts of trade payables and other payables approximate their fair values.



### 33 TRADE AND OTHER PAYABLES (Continued)

- (i) An ageing analysis of the trade payables (including amounts due to related parties of trading in nature) mainly based on the date of invoice is as follows:

	As at 31 December	
	2021	2020
	RMB'000	RMB'000
Within 6 months	9,676,634	9,548,134
Between 6 months to 12 months	6,150,387	3,819,304
Between 1 year to 2 years	4,144,319	4,728,907
Between 2 years to 3 years	957,530	1,085,312
Over 3 years	38,395	503,932
	<b>20,967,265</b>	<b>19,685,589</b>

- (ii) Amounts due to joint ventures, associates and non-controlling interests are unsecured, interest free, and repayable on demand.

### 34 CONTRACT LIABILITIES

	2021	2020
	RMB'000	RMB'000
Receipts in advance of pre-sale proceeds directly from property purchasers	42,348,003	34,318,360

### 35 FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS

	As at 31 December	
	2021	2020
	RMB'000	RMB'000
Derivatives-held for trading		
— Forward foreign exchange contracts	231,784	686
Derivatives hedging instrument		
— Forward rate contracts	152,409	189,367
	<b>384,193</b>	<b>190,053</b>

During the year, the following losses were recognised in profit or loss:

	Year ended 31 December	
	2021	2020
	RMB'000	RMB'000
Fair value losses recognised in other gains — net	(226,803)	(30,509)

## 36 INTEREST AND OTHER INCOME

	Year ended 31 December	
	2021 RMB'000	2020 RMB'000
Interest income from:		
— Bank deposits	294,780	129,858
— Entrusted loans	1,603,611	1,949,422
Dividend income	175,637	226,121
Others	175,523	88,587
	<b>2,249,551</b>	<b>2,393,988</b>

## 37 OTHER GAINS — NET

	Year ended 31 December	
	2021 RMB'000	2020 RMB'000
Gains/(losses) on disposal of interests in subsidiaries	366,452	(338,396)
Fair value (losses)/gains of financial assets and financial liabilities at fair value through profit or loss	(544,331)	486,219
Gains/(losses) on disposal of joint ventures and associates	7,749	(73,622)
Gains on deemed disposal of joint ventures and associates	76,753	64,072
Gains on disposal of financial assets at fair value through profit or loss	—	87,896
Exchange gains	348,416	1,213,393
Payment for the settlement of contracted obligations	(179,154)	(107,918)
(Losses)/gains on disposal of property, plant and equipment	(2,570)	2,223
Other gains	2,952	726
	<b>76,267</b>	<b>1,334,593</b>

## 38 EXPENSES BY NATURE

Expenses by nature comprised cost of sales, selling and marketing expenses and administrative expenses as follows:

	Year ended 31 December	
	2021 RMB'000	2020 RMB'000
Cost of properties and land use rights sold:		
— Land use rights	<b>20,702,927</b>	18,192,150
— Capitalised interest	<b>5,428,141</b>	4,420,866
— Construction related cost	<b>19,617,380</b>	17,930,857
Cost of up fitting services rendered	<b>3,654,483</b>	2,895,285
Direct investment property expenses (Note 12)	<b>162,633</b>	71,203
Employee benefit expense (Note 39)	<b>1,993,772</b>	1,742,316
Consultancy fee	<b>477,964</b>	522,038
Auditor's remuneration	<b>16,734</b>	15,484
— Audit services	<b>11,400</b>	12,255
— Non-audit services	<b>5,334</b>	3,229
Depreciation (Note 7)	<b>148,488</b>	61,474
Depreciation of right-of-use assets (Note 8)	<b>103,651</b>	77,980
Amortization of land use rights and intangible asset (Notes 9 and 10)	<b>30,569</b>	9,495
Advertising and marketing	<b>1,552,251</b>	1,074,244
Business taxes and other levies	<b>405,166</b>	364,455
Impairment charges	<b>399,826</b>	262,720
Derecognition of goodwill (Note 11)	<b>20,993</b>	78,037
Office expenditure	<b>92,848</b>	75,594
Properties maintenance expenses	<b>1,160,659</b>	895,891
Energy expenses	<b>237,764</b>	105,035
Others	<b>402,468</b>	367,375
	<b>56,608,717</b>	49,162,499

### 39 EMPLOYEE BENEFITS EXPENSE

The employee benefits expense of the Group, including its directors' emoluments is as follows:

	Year ended 31 December	
	2021 RMB'000	2020 RMB'000
Salaries, wages and bonuses	<b>2,251,539</b>	1,978,395
Retirement benefits contribution	<b>197,335</b>	44,373
Share options granted to directors and employees	<b>23,694</b>	154,805
Restricted Share Award Scheme	<b>48,466</b>	68,914
Other allowances and benefits	<b>461,456</b>	370,530
	<b>2,982,490</b>	2,617,017
Less: capitalised in properties under development	<b>(988,718)</b>	(874,701)
	<b>1,993,772</b>	1,742,316

The Group's employees participate in various retirement benefit plans organized by the relevant municipal and provincial government in the PRC under which the Group was required to make monthly contributions at rates ranging from 10% to 20%, depending on the applicable local regulations, of the employees' salary for the years ended 31 December 2021 and 2020.

In addition, the Group participates in a pension scheme under the rules and regulations of the Mandatory Provident Fund Scheme for all employees in Hong Kong. The contributions to the Mandatory Provident Fund Scheme are based on minimum statutory contribution requirement of 5% of eligible employees' relevant aggregate income (with a cap of HKD30,000).

There were no forfeited contributions (by employers on behalf of employees who leave the scheme prior to vesting fully in such contributions) to offset existing contributions under the defined contribution schemes.

### 39 EMPLOYEE BENEFITS EXPENSE (Continued)

(a) Five highest paid individuals

The five individuals whose emoluments were the highest in the Group for the year include three (2020: three) directors whose emoluments are reflected in the analysis shown in Note 52. The emoluments payable to the remaining two (2020: two) highest paid individuals during the year are as follows:

	Year ended 31 December	
	2021 RMB'000	2020 RMB'000
Basic salaries	4,250	4,062
Other benefit	–	–
Discretionary bonuses	1,083	1,041
Retirement scheme contributions	368	257
Share-based payments	–	3,462
	<b>5,701</b>	<b>8,822</b>

The emoluments fell within the following bands:

	Year ended 31 December	
	2021	2020
RMB2,489,000 (equivalent to HKD3,000,000) to RMB3,319,000 (equivalent to HKD4,000,000)	2	–
RMB3,319,000 (equivalent to HKD4,000,000) to RMB4,149,000 (equivalent to HKD5,000,000)	–	1
RMB4,979,000 (equivalent to HKD6,000,000) to RMB5,808,000 (equivalent to HKD7,000,000)	–	1
	<b>2</b>	<b>2</b>

- (b) During the years ended 31 December 2021 and 2020, no emoluments were paid by the Group to any of the above directors or the five highest paid individuals as an inducement to join or upon joining the Group or as compensation for losses of office.

## 40 FINANCE COSTS

	Year ended 31 December	
	2021 RMB'000	2020 RMB'000
Interest expense:		
— Bank borrowings	<b>1,380,955</b>	1,027,805
— Other borrowings	<b>3,230,644</b>	3,792,991
— Lease Liabilities	<b>27,712</b>	11,117
	<b>4,639,311</b>	4,831,913
Less: interest capitalised at a capitalisation rate of 4.96% (2020: 5.10%) per annum	<b>(2,400,621)</b>	(2,721,007)
	<b>2,238,690</b>	2,110,906

## 41 INCOME TAX EXPENSE

Majority of the Group entities are subjected to PRC enterprise income tax, which has been provided based on the statutory income tax rate of 25% of the assessable income of each of these Group entities for the years ended 31 December 2021 and 2020. Other Group entities are mainly subject to Hong Kong profits tax.

The amount of income tax expense charged to the income statement represents:

	Year ended 31 December	
	2021 RMB'000	2020 RMB'000
Current income tax:		
— PRC enterprise income tax	<b>3,396,217</b>	2,491,100
— PRC land appreciation tax	<b>2,021,959</b>	2,817,307
Deferred income tax (Note 32)	<b>(712,348)</b>	59,032
	<b>4,705,828</b>	5,367,439

## 41 INCOME TAX EXPENSE (Continued)

Taxation on the Group's profit before tax differs from the theoretical amount that would arise using the enacted tax rate of the home country of the Group as follows:

	Year ended 31 December	
	2021 RMB'000	2020 RMB'000
Profit before income tax	<b>9,797,114</b>	10,050,314
Adjust for: Share of results of joint ventures	<b>(1,572,808)</b>	(982,999)
Share of results of associates	<b>(562,425)</b>	(257,558)
	<b>7,661,881</b>	8,809,757
Tax calculated at a tax rate of 25%	<b>1,915,470</b>	2,202,439
Effect of higher tax rate for the appreciation of land in the PRC	<b>1,516,469</b>	2,112,980
Income not subject to tax	<b>(10,842)</b>	(17,239)
Expenses not deductible for tax purposes	<b>1,136,551</b>	833,599
Tax losses not recognised	<b>370,106</b>	442,972
Utilisation of previously unrecognised tax losses and expenses	<b>(347,643)</b>	(360,610)
Reversal of previously recognised deferred income tax assets	<b>35,127</b>	92,679
Deductible temporary differences not recognised	<b>90,590</b>	60,619
Income tax expense	<b>4,705,828</b>	5,367,439

## 42 EARNINGS PER SHARE

### (a) Basic

Basic earnings per share is calculated by dividing the profit attributable to owners of the company by the weighted average number of ordinary shares in issue during the year excluding ordinary shares purchased by the Company and held as share held for Restricted Share Award Scheme (Note 25).

	Year ended 31 December	
	2021	2020
Profit attributable to owners of the Company (RMB'000)	<b>2,729,143</b>	2,866,283
Profit used to determine basic earnings per share (RMB'000)	<b>2,729,143</b>	2,866,283
Weighted average number of ordinary shares in issue (thousands)	<b>7,616,096</b>	7,616,096
Basic earnings per share (RMB per share)	<b>0.358</b>	0.376

### (b) Diluted

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 has two categories of dilutive potential ordinary shares: share options and shares held for the Restricted Share Award Scheme. For the share options and shares held for the Restricted Share Award Scheme, a calculation is done to determine the number of shares that could have been acquired at fair value (determined as the average market share price of the Company's shares during the year) based on the monetary value of the subscription rights attached to outstanding share options and awarded shares. The number of shares calculated as above is compared with the number of shares that would have been issued assuming the exercise of the share options and awarded shares.



## 42 EARNINGS PER SHARE (Continued)

### (b) Diluted (Continued)

	Year ended 31 December	
	2021	2020
Profit attributable to owners of the Company (RMB'000)	<b>2,729,143</b>	2,866,283
Profit used to determine diluted earnings per share (RMB'000)	<b>2,729,143</b>	2,866,283
Weighted average number of ordinary shares in issue (thousands)	<b>7,616,096</b>	7,616,096
Adjustment for:		
— shares held for the Restricted Share Award scheme (thousands)	—	—
Weighted average number of ordinary shares for diluted earnings per share (thousands)	<b>7,616,096</b>	7,616,096
Diluted earnings per share (RMB per share)	<b>0.358</b>	0.376

## 43 DIVIDENDS

	Year ended 31 December	
	2021	2020
	RMB'000	RMB'000
Interim dividend paid	<b>347,595</b>	416,333
Proposed final dividend of RMB0.026 (2020: RMB0.075) per ordinary share (a)	<b>198,018</b>	571,207

- (a) On 23 March 2022, the Company proposed a final dividend of RMB198,018,000 for the year ended 31 December 2021 and this proposed dividend is not reflected as a dividend payable in these consolidated financial statements, but will be reflected as an appropriation from retained earnings for the year ended 31 December 2021.

## 44 CASH FLOW INFORMATION

### (a) Cash generated from operations

	Year ended 31 December	
	2021 RMB'000	2020 RMB'000
Profit for the year	<b>5,091,286</b>	4,682,875
Adjustments for:		
— Income tax expense (Note 41)	<b>4,705,828</b>	5,367,439
— Depreciation (Note 7)	<b>148,488</b>	61,474
— Amortization of land use rights (Note 9)	<b>4,100</b>	3,246
— Amortization of intangible assets (Note 10)	<b>26,469</b>	6,249
— Amortization of right-of-use assets	<b>8,980</b>	77,980
— Fair value losses on investment properties (Note 12)	<b>63,862</b>	156,045
— Share of results of joint ventures (Note 14)	<b>(1,329,726)</b>	(1,008,945)
— Share of results of associates (Note 15)	<b>(562,920)</b>	(318,169)
— (Gains)/losses on disposal of joint ventures and an associate (Note 37)	<b>(7,749)</b>	73,622
— Gains on deemed disposal of joint ventures and associates (Note 37)	<b>(76,753)</b>	(64,072)
— Dividend income (Note 36)	<b>(175,637)</b>	(226,121)
— Interest income (Note 36)	<b>(1,603,611)</b>	(1,949,422)
— (Gains)/losses on disposal of interests in subsidiaries (Note 37)	<b>(366,452)</b>	338,396
— Gains on disposal of financial assets at fair value through profit or loss (Note 37)	—	(87,896)
— Losses/(gains) on disposal of property, plant and equipment (Note 37)	<b>2,570</b>	(2,223)
— Fair value losses/(gains) on financial assets and financial liabilities at fair value through profit or loss (Note 37)	<b>544,331</b>	(486,219)
— Impairment charges (Note 38)	<b>399,826</b>	262,720
— Derecognition of goodwill (Note 38)	<b>20,993</b>	78,037
— Finance costs (Note 40)	<b>2,238,690</b>	2,110,906
— Exchange gains (Note 37)	<b>(348,416)</b>	(1,213,393)
— Share-based payments (Note 39)	<b>72,160</b>	223,719
	<b>8,856,319</b>	8,086,248

## 44 CASH FLOW INFORMATION (Continued)

### (a) Cash generated from operations (Continued)

	Year ended 31 December	
	2021 RMB'000	2020 RMB'000
Changes in working capital (excluding the effects of acquisition and exchange differences on consolidation):		
— Completed properties held for sale	<b>(6,683,980)</b>	(2,323,319)
— Inventories, at cost	<b>(110,876)</b>	253,450
— Contract assets	<b>697,548</b>	1,777,510
— Trade and other receivables and prepayments	<b>(15,514,887)</b>	2,667,227
— Land development cost recoverable	<b>(14,319)</b>	(34,655)
— Trade and other payables	<b>7,697,140</b>	11,229,677
— Receipts in advance of pre-sale proceeds directly from property purchasers and lessees	<b>(9,205,328)</b>	11,043,137
— Properties under development	<b>16,851,497</b>	(10,114,246)
— Restricted bank deposits	<b>(623,736)</b>	(2,288,154)
Cash generated from operations	<b>1,949,378</b>	20,296,875

### (b) In the consolidated cash flow statement, proceeds from sale of property, plant and equipment comprise:

	Year ended 31 December	
	2021 RMB'000	2020 RMB'000
Net book amount (Note 7)	<b>13,529</b>	15,240
(Losses)/gains on disposal of property, plant and equipment (Note 37)	<b>(2,570)</b>	2,223
Proceeds from disposal of property, plant and equipment	<b>10,959</b>	17,463

## 44 CASH FLOW INFORMATION (Continued)

### (c) The reconciliation of liabilities from financing activities

This section sets out an analysis of liabilities from financing activities and the movements in liabilities from financing activities for each of the periods presented.

	2021 RMB'000	2020 RMB'000
Borrowings-repayable within one year (Note 31)	<b>(18,667,628)</b>	(25,933,873)
Borrowings-repayable after one year (Note 31)	<b>(73,556,834)</b>	(56,269,855)
Lease liabilities (Note 8)	<b>(427,073)</b>	(147,931)
Liabilities from financing activities	<b>(92,651,535)</b>	(82,351,659)
Gross debt — fixed interest rates	<b>(60,230,957)</b>	(55,282,568)
Gross debt — variable interest rates	<b>(32,420,578)</b>	(27,069,091)
Liabilities from financing activities	<b>(92,651,535)</b>	(82,351,659)

	Liabilities from financing activities			Total RMB'000
	Borrowing due within 1 year RMB'000	Borrowing due after 1 year RMB'000	Lease liabilities RMB'000	
Liabilities at 31 December 2020	(25,933,873)	(56,269,855)	(147,931)	(82,351,659)
Cash flows	28,538,172	(30,951,202)	109,660	(2,303,370)
Increase due to business combination (Note 48)	(250,620)	(1,317,628)	(288,897)	(1,857,145)
Decrease due to disposal of interests in subsidiaries	–	1,706,417	2,850	1,709,267
Foreign exchange adjustments	125,474	860,826	–	986,300
Increase due to other acquisitions	(7,021,623)	(1,566,003)	(102,755)	(8,690,381)
Other non-cash movements	(14,125,158)	13,980,611	–	(144,547)
Liabilities at 31 December 2021	(18,667,628)	(73,556,834)	(427,073)	(92,651,535)

Other non-cash movement is mainly the reclassification of long-term borrowing and borrowing within 1 year and the amortization of issuing cost of bond and guaranteed notes.

## 45 FINANCIAL GUARANTEES

- (a) The Group had the following financial guarantees as 31 December 2021 and 2020:

	As at 31 December	
	2021	2020
	RMB'000	RMB'000
Guarantees in respect of mortgage facilities for certain purchasers	<b>15,825,647</b>	9,799,686

As at 31 December 2021 and 31 December 2020, the Group provided guarantees in respect of mortgage facilities granted by certain banks relating to the mortgage loans arranged for certain purchasers of the Group's properties. Pursuant to the terms of the guarantees, upon default in mortgage payments by these purchasers, the Group is responsible to repay the outstanding mortgage principals together with accrued interest and penalty owed by the defaulted 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 dates of grant of the relevant mortgage loans and ends when the property purchasers obtain the "property title certificate" which is then pledged with the banks.

The Group has not recognised any liabilities in connection with the aforesaid financial guarantee contracts as the directors of the Company are of the view that it is remote for the Group to suffer from any significant losses on these financial guarantee contracts.

- (b) As at 31 December 2021, the Group provided guarantees amounted to approximately RMB2,013,070,000 for borrowings of joint ventures and third party (2020: RMB3,307,590,000). Properties under development owned by these joint ventures and associates are the primary collateral of such borrowings.

## 46 COMMITMENTS

- (a) Capital commitments

Capital commitments in respect of development costs attributable to properties under development and land use rights at the balance sheet date but not yet incurred are as follows:

	As at 31 December	
	2021	2020
	RMB'000	RMB'000
Properties under development	<b>12,702,339</b>	11,451,720
Commitment of investments	<b>2,929,776</b>	1,611,622
Contracted but not provided for	<b>15,632,115</b>	13,063,342

- (b) Commitments to a joint venture

	As at 31 December	
	2021	2020
	RMB'000	RMB'000
Commitments to provide funding to a joint venture for its investment properties development	<b>8,690,636</b>	8,769,540

## 46 COMMITMENTS (Continued)

### (c) Operating lease rental receivables

The future aggregate minimum lease rental receivables under non-cancellable operating leases in respect of land and buildings are as follows:

	As at 31 December	
	2021	2020
	RMB'000	RMB'000
Within 1 year	420,481	290,407
Between 1 to 5 years	401,704	465,144
Over 5 years	63,276	96,775
	<b>885,461</b>	<b>852,326</b>

## 47 DISPOSAL OF INTERESTS IN SUBSIDIARIES

In October 2021, the Group entered into an agreement with Sino-Ocean Prime Office Partners I LP (the "Partnership"), which is a joint venture of the Group, to dispose 100% equity of Super Goal Development Limited and Beijing Skyriver CBD Property Co., Ltd. (together, the "Disposal Group"), at a total consideration of approximately RMB5,471,177,000. The transaction has been completed on 24 December 2021.

The effect of disposal of interests in the subsidiaries on the equity attributable to owners of the Company is summarized as follows:

	As at 24 December 2021 RMB'000
Consideration:	
The proceeds received in cash of the first stage	2,538,233
The discounted amounts of the remaining consideration	2,586,295
The fair value of earn-out payments	346,649
Total consideration	5,471,177
Carrying value of the Disposal Group's net assets disposed — shown as below	(4,873,375)
	597,802
Less: Unrealized gain from downstream transaction	(170,792)
Gains on disposal of interest in the Disposal Group that resulted in loss of control	427,010

- (a) According to the disposal agreement, the payment schedule will be divided into a few stages and earn-out payments. In the first stage, the Partnership paid a consideration of approximately RMB2,538,233,000, which has been received by the Group. In the next stages, the Partnership will pay approximately RMB3,376,313,000 in total. Deducting the estimated unrealized financing income of approximately RMB790,018,000, the discounted amount is approximately RMB2,586,295,000. The total amount of earn-out payments will be approximately RMB500,000,000, which was accounted by the Group as financial assets at fair value through profit or loss with an estimate fair value of approximately RMB346,649,000 on 24 December 2021.

## 47 DISPOSAL OF INTERESTS IN SUBSIDIARIES (Continued)

The assets and liabilities disposed of are as follows:

	As at 24 December 2021 RMB'000
Cash and cash equivalents	682
Property, plant and equipment	18
Investment properties	5,112,000
Properties under development	1,324,329
Trade and other receivables and prepayments	1,009,188
Trade and other payables	(2,075,806)
Deferred income tax liabilities	(497,036)
Net assets disposed	4,873,375
<b>Inflow of cash to dispose the subsidiary, net of cash disposed</b>	
Proceeds received in cash	2,538,233
Cash and cash equivalents in the subsidiary disposed of	(682)
Net cash inflow on disposal	2,537,551

## 48 BUSINESS COMBINATION

During the year, the significant business combination of the Group is presented as below:

### Acquisition of Beijing UNIQloud

As at 31 December 2020, the Group owned 30.08% equity stakes in Beijing UNIQloud Technology Co. Ltd. and its subsidiaries (together, “Beijing UNIQloud”), which was accounted by way of equity method. Beijing UNIQloud principally engaged in construction and integrated operation of large data centre projects in PRC.

In January 2021, in order to expand business opportunities of Beijing UNIQloud, the Group further contribute capital in cash of RMB100,000,000 to Beijing UNIQloud and the Group’s equity interest in Beijing UNIQloud increased to 34.72% and pursuant to an acting in concert agreement (“Agreement”) dated 1 January 2021 as entered into between the Group and the controlling shareholder (an associate of the Group) of Beijing UNIQloud, the Group obtained the power to govern the significant decisions relating to operating and financing of Beijing UNIQloud. As a result of the change, Beijing UNIQloud became a subsidiary of the Group.

The following table summarises the consideration paid for Beijing UNIQloud, the fair value of assets acquired and liabilities assumed at the acquisition date.

	<b>As at 1 January 2021 RMB’000</b>
Consideration:	
— Consideration transferred	<b>100,000</b>
— Book value of equity interest in Beijing UNIQloud held before business combination	<b>372,500</b>
— Deemed disposal gains of equity interest	<b>51,372</b>
	<b>523,872</b>
Identifiable net assets acquired	<b>(309,924)</b>
Goodwill	<b>213,948</b>



## 48 BUSINESS COMBINATION (Continued)

Recognised amounts of identifiable assets acquired and liabilities acquired

	RMB'000
Cash and cash equivalents	134,632
Financial assets at fair value through profit or loss	39,000
Inventories, at cost	624
Trade receivables	90,450
Other receivables and prepayments	1,122,428
Property, plant and equipment	1,168,604
Right-of-use assets	295,462
Intangible assets	134,617
Deferred income tax assets	7,908
Trade and other payables	(207,627)
Borrowings	(1,568,248)
Lease liabilities	(288,897)
Contract liabilities	(3,555)
Deferred income tax liabilities	(33,755)
Non-controlling interests	(581,719)
<b>Total identifiable net assets</b>	<b>309,924</b>

## 49 SETTLEMENTS WITH NON-CONTROLLING INTERESTS WITHOUT CHANGE OF CONTROL

During the year ended 31 December 2021, the Group has purchased or subscribed additional equity interests of its non-wholly owned subsidiaries and disposed of certain equity interests to its non-controlling shareholders through certain transactions with non-controlling interests which resulted in the total increase in non-controlling interests of approximately RMB90,991,000 and total decrease in net assets attributable to the owners of the Company of approximately RMB544,493,000.

## 50 RELATED PARTY TRANSACTIONS

Save as disclosed in elsewhere, the following is a summary of significant related party balances and transactions entered into in the ordinary course of business between the Group and its related parties during the years ended 31 December 2021 and 2020:

(a) Provision of services to:

	Year ended 31 December	
	2021	2020
	RMB'000	RMB'000
— A shareholder	<b>33,138</b>	95,395
— Joint ventures	<b>2,057,152</b>	1,997,544
— Associates	<b>177,689</b>	537,067
	<b>2,267,979</b>	2,630,006

Provision of services mainly represent construction service, the terms of which are entered into with related parties in accordance with the terms of agreement.

(b) Purchase of services from:

	Year ended 31 December	
	2021	2020
	RMB'000	RMB'000
A joint venture	<b>402,859</b>	—

(c) Investment to a subsidiary of an associate:

	Year ended 31 December	
	2021	2020
	RMB'000	RMB'000
Capital injection to Beijing UNIQloud	—	380,000

## 50 RELATED PARTY TRANSACTIONS (Continued)

(d) Transaction with joint ventures:

	Year ended 31 December	
	2021 RMB'000	2020 RMB'000
Total consideration on disposal of subsidiaries to a joint venture (i)	<b>5,471,177</b>	–
Total consideration on disposal of a joint venture to a joint venture	–	48,000
	<b>5,471,177</b>	48,000

(i) On 24 December 2021, the Group disposed 100% equity of the Disposal Group to the Partnership, which is a joint venture of the Group. See Note 47 for disclosure of the transaction.

(e) Key management compensation:

	Year ended 31 December	
	2021 RMB'000	2020 RMB'000
Salaries and other short-term employee benefits	<b>39,692</b>	44,606
Post-employment benefits	<b>4,271</b>	5,143
Other long-term welfare	<b>1,130</b>	1,074
Share-based payments	<b>7,707</b>	24,294
	<b>52,800</b>	75,117

## 50 RELATED PARTY TRANSACTIONS (Continued)

- (f) Year-end balances arising from sales and purchases of properties and services and disposal of interests in subsidiaries:

	As at 31 December	
	2021 RMB'000	2020 RMB'000
Receivables from related parties:		
— A shareholder	6,558	7,058
— Joint ventures	3,753,316	2,972,257
— Associates	266,878	357,532
	<b>4,026,752</b>	3,336,847
Advance from related parties:		
— Joint ventures	13,833	182
— Associates	—	—
	<b>13,833</b>	182
Trade payables due to related parties:		
— A joint venture	676,200	8,021
— An associate	12,393	6,737
— A shareholder	38	—
	<b>688,631</b>	14,758

## 50 RELATED PARTY TRANSACTIONS (Continued)

### (g) Interest income

	Year ended 31 December	
	2021 RMB'000	2020 RMB'000
Interest received:		
— Joint ventures	605,738	492,628
— Associates	577,931	349,933
	<b>1,183,669</b>	842,561

### (h) Loans to related parties

	Year ended 31 December	
	2021 RMB'000	2020 RMB'000
Joint ventures:		
At 1 January	6,368,436	9,803,165
Loans advanced during year	12,671,201	11,325,454
Loans repayments received	(11,054,439)	(12,218,187)
Decrease due to disposal of joint ventures	(3,080)	(2,316,515)
Increase due to disposal of interests in subsidiaries	50,453	965,726
Decrease due to disposal of interest in subsidiaries	—	(1,191,207)
interest charged	605,738	492,628
Interest received	(605,738)	(492,628)
At 31 December (Note 21(b)(i))	<b>8,032,571</b>	6,368,436
Associates:		
At 1 January	3,595,317	1,431,745
Loans advanced during year	8,575,581	2,863,727
Loans repayments received	(6,857,615)	(700,155)
Increase due to acquisition of an associate	10,000	—
Decrease due to deemed disposal of Associates	(154,405)	—
Interest charged	577,931	349,933
Interest received	(577,931)	(349,933)
At 31 December (Note 21(b)(ii))	<b>5,168,878</b>	3,595,317

## 50 RELATED PARTY TRANSACTIONS (Continued)

### (i) Amounts due from related parties

	Year ended 31 December	
	2021 RMB'000	2020 RMB'000
Joint ventures:		
At 1 January	<b>18,329,200</b>	18,654,638
Amounts advanced during year	<b>52,515,487</b>	76,101,503
Repayments during year	<b>(44,080,913)</b>	(76,996,000)
Increase due to acquisition of joint ventures	<b>459,543</b>	–
Decrease due to deemed disposal of joint ventures	<b>(248,610)</b>	(229,549)
Increase due to disposal of interests in subsidiaries	<b>15,391</b>	856,098
Decrease due to disposal of interests in subsidiaries	–	(14,101)
Decrease due to disposal of joint ventures	<b>(181,088)</b>	(43,389)
At 31 December (Note 21(b)(v))	<b>26,809,010</b>	18,329,200
Associates:		
At 1 January	<b>2,944,124</b>	8,901,985
Amounts advanced during year	<b>17,204,589</b>	1,631,050
Repayments during year	<b>(12,533,761)</b>	(7,737,329)
Increase due to acquisition of associates	<b>132,568</b>	–
Decrease due to deemed disposal of associates	<b>(23,675)</b>	–
Increase due to disposal of subsidiaries	–	414,533
Decrease due to disposal of subsidiaries	–	(266,115)
Decrease due to disposal of associates	<b>(961)</b>	–
At 31 December (Note 21(b)(v))	<b>7,722,884</b>	2,944,124

## 50 RELATED PARTY TRANSACTIONS (Continued)

### (j) Amounts due to related parties

	Year ended 31 December	
	2021 RMB'000	2020 RMB'000
Joint ventures:		
At 1 January	7,979,029	8,791,353
Amounts advanced during year	12,409,098	23,625,838
Repayments during year	(15,759,019)	(25,303,658)
Increase due to acquisition of Joint ventures	142,093	–
Decrease due to deemed disposal of joint ventures	(4,023)	(212,849)
Increase due to disposal of interest in subsidiaries	2,507,439	1,127,145
Decrease due to disposal of interest in subsidiaries	–	(48,800)
Decrease due to disposal of interest in joint ventures	(982,331)	–
At 31 December (Note 33(ii))	6,292,286	7,979,029
Associates:		
At 1 January	2,462,410	3,179,119
Amounts advanced during year	3,564,740	2,932,020
Repayments during year	(3,385,116)	(3,648,729)
Decrease due to deemed disposal of associates	(608,594)	–
Increase due to disposal of interest in associates	1,972	–
Decrease due to disposal of interest in associates	(21)	–
At 31 December (Note 33(ii))	2,035,391	2,462,410

### (k) Investment in limited partners' share issued by an associate

	As at 31 December	
	2021 RMB'000	2020 RMB'000
Fair value of investment in limited partners' share issued by an associate	2,273,742	2,254,862

### (l) Investment in capital instrument issued by associates

	As at 31 December	
	2021 RMB'000	2020 RMB'000
Fair value of investments in capital instruments issued by associates	5,389,553	5,690,025

## 51 BALANCE SHEET AND RESERVE MOVEMENT OF THE COMPANY

Balance sheet of the Company

	As at 31 December	
	2021 RMB'000	2020 RMB'000
<b>ASSETS</b>		
<b>Non-current assets</b>		
Investments in subsidiaries	3,411,545	3,421,198
<b>Current assets</b>		
Amounts due from subsidiaries	27,009,383	33,599,525
Financial assets at fair value through profit or loss	163,672	–
Other receivables	2,060	2,060
Cash and cash equivalents	63,891	197,777
	27,239,006	33,799,362
<b>Total assets</b>	<b>30,650,551</b>	<b>37,220,560</b>
<b>EQUITY</b>		
Capital	(a) 27,329,232	27,329,232
Reserve	(b) 939,103	876,596
Retained earnings	(c) 265,976	589,048
<b>Total equity</b>	<b>28,534,311</b>	<b>28,794,876</b>
<b>LIABILITY</b>		
<b>Non-current liabilities</b>		
Borrowings	–	7,994,892
<b>Current liabilities</b>		
Borrowings	1,999,436	–
Other payables	116,804	430,792
	2,116,240	430,792
<b>Total liabilities</b>	<b>2,116,240</b>	<b>8,425,684</b>
<b>Total equity and liabilities</b>	<b>30,650,551</b>	<b>37,220,560</b>

Approved by the Board of Directors of the Company on 23 March 2022 and signed on its behalf by:

**LI Ming**  
Executive Director

**WANG Honghui**  
Executive Director



## 51 BALANCE SHEET AND RESERVE MOVEMENT OF THE COMPANY (Continued)

### (a) Capital movement of the Company

	RMB'000
<b>At 1 January 2021</b>	<b>27,329,232</b>
Issue of shares pursuant to exercise of employee share options	–
<b>At 31 December 2021</b>	<b>27,329,232</b>
At 1 January 2020	27,329,232
Issue of shares pursuant to exercise of employee share options	–
At 31 December 2020	27,329,232

### (b) Reserve movement of the Company

	RMB'000
<b>At 1 January 2021</b>	<b>876,596</b>
Share based payment	<b>72,160</b>
Purchase of shares for Restricted Share Award Scheme	<b>(9,653)</b>
<b>At 31 December 2021</b>	<b>939,103</b>
At 1 January 2020	667,708
Share based payment	223,719
Purchase of shares for Restricted Share Award Scheme	(14,831)
At 31 December 2020	876,596

## 51 BALANCE SHEET AND RESERVE MOVEMENT OF THE COMPANY (Continued)

### (c) Retained earnings

	RMB'000
<b>At 1 January 2021</b>	<b>589,048</b>
Profit for the year	595,762
Dividends relating to 2020	(571,239)
Dividends relating to 2021	(347,595)
<b>At 31 December 2021</b>	<b>265,976</b>
At 1 January 2020	447,542
Profit for the year	739,137
Dividends relating to 2019	(181,298)
Dividends relating to 2020	(416,333)
At 31 December 2020	589,048

## 52 BENEFITS AND INTERESTS OF DIRECTORS

### (a) Directors' emoluments

The remuneration of every director for the years is set out below:

	Emoluments paid or receivable in respect of a person's services as a director, whether of the Company or its subsidiary undertaking													
	Year ended 31 December													
	2021							2020						
	Fees	Salary	Discretionary bonus	Employer's contribution to retirement benefit scheme	Other benefit	Subtotal	Share-based payments	Fees	Salary	Discretionary bonus	Employer's contribution to retirement benefit scheme	Other benefit	Subtotal	Share-based payments
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
<i>Chairman</i>														
Mr. Li Ming	-	5,390	1,560	2,952	1,130	11,032	2,457	-	6,273	960	3,872	1,074	12,179	14,455
<i>Executive directors</i>														
Mr. Wang Honghui (ii)	-	2,210	1,205	130	-	3,545	-	-	1,915	1,169	54	-	3,138	785
Mr. Cui Hongjie (ii)	-	2,050	960	130	-	3,140	-	-	1,346	545	44	-	1,935	833
Mr. Wen Haicheng (i)	-	-	-	-	-	-	-	-	1,227	-	30	-	1,257	-
Mr. Sum Pui Ying (i)	-	-	-	-	-	-	-	-	550	-	55	-	605	-
<i>Non-executive directors</i>														
Ms. Huang Xiumei (ii)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Mr. Zhao Peng (ii), (iii)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Mr. Hou Jun (ii)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Mr. Chen Ziyang (ii)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Mr. Zhan Zhong (ii)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Ms. Li Liling (i)	-	-	-	-	-	-	-	-	-	-	-	-	-	107
Mr. Fu Fei (i)	-	-	-	-	-	-	-	-	-	-	-	-	-	107
Mr. Zhao Peng (i), (iii)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Mr. Fang Jun (i)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<i>Independent non-executive directors</i>														
Mr. Han Xiaojing	315	-	-	-	-	315	230	330	-	-	-	-	330	410
Mr. Suen Man Tak	315	-	-	-	-	315	230	330	-	-	-	-	330	410
Mr. Wang Zhifeng	315	-	-	-	-	315	230	330	-	-	-	-	330	410
Mr. Jin Qingjun	315	-	-	-	-	315	230	330	-	-	-	-	330	410
Ms. Lam Sin Lai Judy	315	-	-	-	-	315	230	330	-	-	-	-	330	410
	1,575	9,650	3,725	3,212	1,130	19,292	3,607	1,650	11,311	2,674	4,055	1,074	20,764	18,337

## 52 BENEFITS AND INTERESTS OF DIRECTORS (Continued)

### (a) Directors' emoluments (Continued)

(i) On 25 July 2021, Ms. Li Liling, a non-executive director, has resigned.

On 25 July 2021, Mr. Fu Fei, a non-executive director, has resigned.

On 19 March 2021, Mr. Zhao Peng, a non-executive director, has resigned.

On 5 June 2020, Mr. Wen Haicheng, an executive director, has resigned.

On 14 April 2020, Mr. Fang Jun, a non-executive director, has resigned.

On 25 March 2020, Mr. Sum Pui Ying, an executive director, has resigned.

(ii) On 18 September 2021, Mr. Zhan Zhong was appointed as a non-executive director.

On 25 July 2021, Mr. Chen Ziyang was appointed as a non-executive director.

On 25 July 2021, Mr. Zhao Peng was appointed as a non-executive director.

On 19 March 2021, Ms. Huang Xiumei was appointed as a non-executive director.

On 5 June 2020, Mr. Cui Hongjie was appointed as an executive director.

On 14 April 2020, Mr. Hou Jun was appointed as a non-executive director.

On 25 March 2020, Mr. Wang Honghui was appointed as an executive director.

(iii) Both Mr. Zhao Peng are different persons.

### (b) Directors' material interests in transactions, arrangements or contracts

No significant transactions, arrangements and contracts in relation to the Group's business to which the Company was a party and in which a director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

(c) During the years ended 31 December 2021 and 2020, no emoluments were paid by the Group to any of the above directors as an inducement to join or upon joining the Group or as compensation for losses of office.

## 53 SUBSEQUENT EVENTS

(a) On 8 February 2022, Sino-Ocean Land Treasure IV Limited, a wholly-owned subsidiary of the Company, issued Guaranteed Green Notes with total principal amount of USD200,000,000 at interest rate of 2.70% due in 2025 (the "Notes"). The Notes are unsecured and guaranteed by the Company.

(b) On 18 March 2022, Sino-Ocean Holding Group (China) Limited, a wholly-owned subsidiary of the Company, issued bonds with total principal amount of RMB2,000,000,000 with coupon rate 5.32% per year of a term of three years.

## FIVE-YEAR FINANCIAL SUMMARY

	<b>2021</b> RMB million	2020 RMB million	2019 RMB million	2018 RMB million	2017 RMB million
Revenue	<b>64,247</b>	56,511	50,926	41,422	45,837
Gross Profit	<b>11,258</b>	10,457	10,222	8,287	11,239
Profit attributable to owners of the Company	<b>2,729</b>	2,866	2,656	3,574	5,115
Total assets	<b>281,252</b>	259,689	243,699	249,362	191,894
Total liabilities	<b>204,805</b>	189,784	178,088	186,223	133,166
Shareholders' equity	<b>55,074</b>	53,649	49,907	48,385	48,502
Total equity	<b>76,447</b>	69,905	65,611	63,139	58,728

# LIST OF PROJECT NAMES

Our list of project names as at 31 December 2021 is set out as follows:

	Regions	Cities	Project names (Chinese)	Project names (English)	Project names used before (Chinese)	Project names used before (English)
1	Beijing Region	Beijing	安貞項目(北京)	Anzhen Project (Beijing)		
2			國譽萬和城(北京)	Captain House (Beijing)		
3			CBD Z6地塊(北京)	CBD Plot Z6 (Beijing)		
4			昌平未來科技城F2項目(北京)	Changping Sci-tech Park F2 Project (Beijing)		
5			中國人壽金融中心(北京)	China Life Financial Center (Beijing)	CBDZ13地塊	CBD Plot Z13
6			銀網中心(北京)	E-wing Center (Beijing)		
7			金悅府(北京)	Gold Mansion (Beijing)	大興黃村0901地塊	Huangcun 0901 Plot, Daxing District
8			遠洋樂堤港(北京)	Grand Canal Place (Beijing)	遠洋新光中心	Ocean Shinkong Center
9			萬和斐麗(北京)	Grand Harmony Emerald Residence (Beijing)		
10			頤堤港(北京)	INDIGO (Beijing)	將台商務中心	Jiangtai Business Center
11			頤堤港二期(北京)	INDIGO II (Beijing)		
12			頤璟萬和(北京)	Jasper Epoch (Beijing)		
13			順義佳利華項目(北京)	Jialihua Project, Shunyi District (Beijing)		
14			房山良鄉項目(北京)	Liangxiang Project (Beijing)		
15			門頭溝潭柘寺項目(北京)	Mentougou Tanzhe Temple Project (Beijing)		
16			密之雲項目(北京)	Mizhiyun Project (Beijing)		
17			遠洋國際中心(北京)	Ocean International Center (Beijing)		
18			遠洋國際中心二期(北京)	Ocean International Center, Phase II (Beijing)	京棉項目	Jingmian Project
19			遠洋LA VIE(北京)	Ocean LA VIE (Beijing)		
20			遠洋沁山水(北京)	Ocean Landscape Eastern Area (Beijing)	遠洋沁山水E02/03項目	Ocean Landscape Eastern Area E02/03 Project
21			遠洋新天地(北京)	Ocean Metropolis (Beijing)	門頭溝新城項目	Mentougou New Town Project
22			遠洋光華國際(北京)	Ocean Office Park (Beijing)		
23			遠洋大廈(北京)	Ocean Plaza (Beijing)		
24			遠洋源山春秋(北京)	Ocean Poetic Dwelling (Beijing)	石景山區劉娘府A2地塊	Liuniangfu Plot A2, Shijingshan District
25			遠洋銳中心(北京)	Ocean Rayzone (Beijing)	麗澤商務區項目	Lize Business District Project
26			遠洋未來廣場(北京)	Ocean We-life Plaza (Beijing)		
27			遠洋五里春秋(北京)	Ocean Wulieepoch (Beijing)	石景山五里坨組團一地塊	Wulituo Plot, Shijingshan District
28			遠洋新仕界(北京)	Our New World (Beijing)	遠洋春天著	Ocean Spring

	Regions	Cities	Project names (Chinese)	Project names (English)	Project names used before (Chinese)	Project names used before (English)
29			門頭溝新城6002地塊(北京)	Plot 6002, Mentougou New Town (Beijing)		
30			天瑞宸章(北京)	Royal River Villa (Beijing)		
31			順義物流項目(北京)	Shunyi Logistics Project (Beijing)		
32			遠洋春秋里(北京)	Sino-Ocean Apple Garden No.6 (Beijing)		
33			遠洋天著(北京)	The CBD's Private Palace (Beijing)		Ocean Palace
34			華樾國際(北京)	World View (Beijing)		
35			禧瑞春秋(北京)	Xanadu & Ocean Epoch (Beijing)		
36			禧瑞天著(北京)	Xanadu & Ocean Palace (Beijing)	經開區G2R1地塊	Yizhuang EDA Plot G2R1
37			通州西集E地塊(北京)	Xiji Plot E, Tongzhou District (Beijing)		
38			信馳大廈(北京)	Xinchu Tower (Beijing)	亦莊汽車大廈項目	Yizhuang Motor Tower Project
39			亦莊正元數據中心(北京)	Yizhuang Zhengyuan Internet Data Center (Beijing)		
40			雍景桃源項目(北京)	Yongjingtaoyuan Project (Beijing)		
41		Langfang	京畿禮宮(廊坊)	Capital Palace (Langfang)		
42			經開物流項目(廊坊)	Jingkai Logistics Project (Langfang)		
43			遠洋光華城(廊坊)	Ocean Brilliant City (Langfang)	遠洋琨庭	Sino-Ocean Brilliant Courtyard
44			廣陽物流項目地塊一(廊坊)	Plot I, Guangyang Logistics Project (Langfang)		
45			廣陽物流項目地塊二(廊坊)	Plot II, Guangyang Logistics Project (Langfang)		
46			燕郊三河數據中心(廊坊)	Yanjiao Sanhe Internet Data Center (Langfang)		
47		Taiyuan	天悅(太原)	Glory Mansion (Taiyuan)		
48			解放路愛琴海購物公園(太原)	Jiefang Road Aegean Place (Taiyuan)		
49			遠洋萬和四季(太原)	Ocean Seasons (Taiyuan)		
50			天鉞(太原)	Sky Masion (Taiyuan)		
51			天潤(太原)	Sky of Palace (Taiyuan)		
52			晉春秋(太原)	Villa Epoch (Taiyuan)		
53			王家峰愛琴海購物公園(太原)	Wangjiafeng Aegean Place (Taiyuan)		
54		Jinzhong	天鉞(晉中)	Sky Masion (Jinzhong)		
55		Qinhuangdao	遠洋蔚藍海岸(秦皇島)	Seatopia (Qinhuangdao)		
56		Shijiazhuang	安德生命紀念公園(石家莊)	Ande Life Memorial Park (Shijiazhuang)		

	Regions	Cities	Project names (Chinese)	Project names (English)	Project names used before (Chinese)	Project names used before (English)
57			長安區舊改項目 (石家莊)	Chang'an District Redevelopment Project (Shijiazhuang)		
58			遠洋·風景長安 (石家莊)	Family Park (Shijiazhuang)		
59			遠洋·風景長安二期 (石家莊)	Family Park, Phase II (Shijiazhuang)		
60			藁城物流項目 (石家莊)	Gaocheng Logistics Project (Shijiazhuang)		
61			萬和學府 (石家莊)	Harmony Palace (Shijiazhuang)	正定新區004項目	Zhengding New District Project
62			瑾園·上府 (石家莊)	Ocean Home Park (Shijiazhuang)	福美瑾園二期	Jade Mansion, Phase II
63			遠洋7號 (石家莊)	Sino-Ocean No. 7 (Shijiazhuang)		
64			遠洋·晟庭 (石家莊)	Vigorous Mansion (Shijiazhuang)	長安區015號地	Chang'an District Plot 015
65		Zhangjiakou	遠洋尚東萬和 (張家口)	Centrality Mansion (Zhangjiakou)	橋東區東山天地項目	Qiaodong District Dongshantiandi Project
66	Bohai Rim Region	Tianjin	空港物流項目 (天津)	Airport Logistics Project (Tianjin)		
67			北辰物流項目 (天津)	Beichen Logistics Project (Tianjin)		
68			博大奶牛場項目 (天津)	Boda Logistics Project (Tianjin)		
69			京畿鼎園 (天津)	Capital Palace (Tianjin)		
70			生態城愛琴海購物公園 (天津)	Eco-city Aegean Place (Tianjin)		
71			寬悅時光 (天津)	Fantastic Time (Tianjin)		
72			悅·光年 (天津)	Happy Light Year (Tianjin)	汽車世界	Autoworld
73			遠洋·萬和府 (天津)	Harmony Mansion (Tianjin)		
74			河東愛琴海購物公園 (天津)	Hedong Aegean Place (Tianjin)		
75			靜海物流項目 (天津)	Jianghai Logistics Project (Tianjin)		
76			薊縣愛琴海購物公園 (天津)	Jixian Aegean Place (Tianjin)		
77			未來城 (天津)	Neo-metropolis (Tianjin)	北辰宜興埠項目	Yixingbu Project, Beichen District
78			遠洋城 (天津)	Ocean City (Tianjin)		
79			遠洋天著春秋 (天津)	Ocean Epoch (Tianjin)		
80			遠洋萬和城 (天津)	Ocean Great Harmony (Tianjin)	倪黃莊項目	Nihuangzhuang Project
81			遠洋國際中心 (天津)	Ocean International Center (Tianjin)		
82			遠洋潮起東方 (天津)	Ocean Orient (Tianjin)		
83			遠洋風景 (天津)	Ocean Prospect (Tianjin)		
84			遠洋未來匯 (天津)	Ocean We-life (Tianjin)		



	Regions	Cities	Project names (Chinese)	Project names (English)	Project names used before (Chinese)	Project names used before (English)
85			遠洋未來廣場(天津)	Ocean We-life Plaza (Tianjin)		
86			遠洋紅熙郡(天津)	Royal River (Tianjin)	武清項目	Wuqing Project
87			遠澤寶坻物流園(天津)	Sino-Fusion Baodi Logistics Park (Tianjin)		
88			遠洋琨庭(天津)	Sino-Ocean Brilliant Courtyard (Tianjin)		
89			天鉞(天津)	Sky Masion (Tianjin)		
90			天鉞灣(天津)	Sky Masion Bay (Tianjin)		
91			天津空港南物流項目(天津)	Southend Airport Logistics Project (Tianjin)		
92			鯤棲府(天津)	The Great Habitat Mansion House (Tianjin)	華明項目	Huaming Project
93			博嶼海(天津)	UPED (Tianjin)		
94			天津空港西物流項目(天津)	Westend Airport Logistics Project (Tianjin)		
95			海納府(天津)	Xanadu (Tianjin)	濱海新區生態城5號地塊	Binhai New Area Eco-Town Plot 5
96		Dalian	鑽石灣(大連)	Diamond Bay (Dalian)		
97			悅和山海(大連)	Joy of Mountain and Sea (Dalian)		
98			遠洋萬玥府(大連)	Ocean Mansion (Dalian)		Glory Mansion
99			遠洋山麓春秋(大連)	Ocean The Piedmont Epoch (Dalian)		
100			紅星海世界觀(大連)	Ocean Worldview (Dalian)		
101			遠洋創智高地(大連)	Sino-Ocean Technopole (Dalian)	IT產業園 – 工業部分	IT Zone – Industrial
102			旅順口區塔灣河地塊(大連)	Tawanhe Plot, Lvshunkou District (Dalian)		
103			中華路2號地(大連)	Zhonghua Road Plot #2 (Dalian)	遠洋溫德姆至尊豪庭大酒店	Wyndham Grand Plaza Royale Sino-Ocean
104		Jinan	愛琴海購物公園(濟南)	Aegean Place (Jinan)		
105			天橋區北湖A-6地塊(濟南)	Beihu Plot A-6, Tianqiao District (Jinan)		
106			天橋區北湖西側A地塊(濟南)	Beihu West Plot A, Tianqiao District (Jinan)		
107			遠洋萬和公館(濟南)	Ocean Crown (Jinan)	槐蔭區經十一路B4地塊	Jing 11 Road Plot B4, Huaiyin District
108			遠洋天著春秋(濟南)	Ocean Epoch (Jinan)	唐冶項目	Tangye Project
109			萬和府(濟南)	Ocean Mansion (Jinan)	遠祥萬和府	
110			遠洋潮起東方(濟南)	Ocean Orient (Jinan)	唐冶中路以東、橫四路以南地塊	Plots in East of Tangye Middle Road and South of Hengsi Road
111			遠洋鳳棲翰林(濟南)	Ocean Precious Land (Jinan)	歷城區趙家莊項目	Zhaojiazhuang Project, Licheng District
112			遠洋湖印都會(濟南)	Sino-Ocean Metropolis (Jinan)		
113			天鉞(濟南)	Sky Masion (Jinan)		

	Regions	Cities	Project names (Chinese)	Project names (English)	Project names used before (Chinese)	Project names used before (English)
114		Qingdao	市北區海泊河地塊(青島)	Haibohe Plot, Shibei District (Qingdao)		
115			遠洋萬和公館(青島)	Ocean Crown (Qingdao)		
116			遠洋萬和城(青島)	Sino-Ocean Harmony (Qingdao)		Ocean Great Harmony
117			遠洋山水(青島)	Sino-Ocean Landscape (Qingdao)		
118		Shenyang	百利保大廈(瀋陽)	Bailibao Plaza (Shenyang)		
119			遠洋上河風景(瀋陽)	Ocean Elite River Prospect (Shenyang)		
120			遠洋鯤樓府(瀋陽)	Ocean Noble Mansion (Shenyang)		
121		Changchun	觀棠源築(長春)	Guantangyuanzhu (Changchun)		
122		Anshan	國際廣場(鞍山)	International Plaza (Anshan)		
123		Harbin	威尼斯莊園(哈爾濱)	Venice Manor (Harbin)		
124	Eastern Region	Shanghai	嘉譽都匯廣場(上海)	Amazing City (Shanghai)	嘉譽國際廣場	
125			寶山天鉅(上海)	Baoshan Sky Masion (Shanghai)		
126			中城國際大廈(上海)	CURA International Center(Shanghai)		
127			東灘花園(上海)	Dongtan Villa (Shanghai)	崇明東灘花園項目	Chongming Dongtan Project
128			H88越虹廣場(上海)	H88 Yuehong Plaza (Shanghai)		
129			海興廣場(上海)	Haixing Plaza (Shanghai)		
130			遠洋虹橋萬和源(上海)	Hongqiao Origin (Shanghai)		
131			臨港愛琴海購物公園(上海)	Lingang Aegean Place (Shanghai)		
132			臨港天鉅(上海)	Lingang Sky Masion (Shanghai)		
133			遠洋財富中心(上海)	Ocean Fortune Center (Shanghai)		
134			遠洋萬和四季(上海)	Ocean Seasons (Shanghai)	惠南項目	Ocean Melody
135			萬和昊美項目(上海)	Onehome Art Project (Shanghai)		
136			遠洋商業大廈(上海)	Sino-Ocean Tower (Shanghai)	東海商業中心	East Ocean Center
137			元博酒店項目(上海)	Yuanbo Hotel Project (Shanghai)		
138		Suqian	愛琴海購物公園(宿遷)	Aegean Place (Suqian)		
139			沐陽愛琴海購物公園(宿遷)	Shuyang Aegean Place (Suqian)		
140			沐陽天鉅(宿遷)	Shuyang Sky Masion (Suqian)		

	Regions	Cities	Project names (Chinese)	Project names (English)	Project names used before (Chinese)	Project names used before (English)
141			天铂(宿遷)	Sky Masion (Suqian)		
142		Wenzhou	愛琴海購物公園(溫州)	Aegean Place (Wenzhou)		
143			濱海天铂(溫州)	Binhai Sky Masion (Wenzhou)		
144			遠洋萬和樾(溫州)	Center Mansion (Wenzhou)	樂清市中心區ZX-14a-1地塊	Plot ZX-14a-1, Central District, Leqing
145			遠洋泊雲庭(溫州)	Harbor Heart (Wenzhou)		
146			遠洋半島九號(溫州)	Ocean Peninsula No.9 (Wenzhou)		
147			龍灣區11-E-05地塊(溫州)	Plot 11-E-05, Longwan District (Wenzhou)		
148			遠洋山海萬和園(溫州)	Shan Hai One (Wenzhou)		
149			幸福里(溫州)	Xingfuli (Wenzhou)		
150		Suzhou	愛琴海購物公園(蘇州)	Aegean Place (Suzhou)		
151			蘇悅灣花園(蘇州)	Easy Town (Suzhou)		
152			崑山玉山物流項目(蘇州)	Kunshan Yushan Logistics Project (Suzhou)		
153			萬和悅花園(蘇州)	Mansion Yue (Suzhou)		
154			洛克公園(蘇州)	Rocker Park (Suzhou)		
155			萬和四季(蘇州)	Royal Seasons (Suzhou)	太倉港區項目	Ocean Melody
156			遠洋風景東方(蘇州)	Scenert East (Suzhou)	張家港市高新區地塊	Plot in High-tech Zone, Zhangjiagang
157			盛澤天铂(蘇州)	Shengze Sky Masion (Suzhou)		
158			石湖項目(蘇州)	Shihu Project (Suzhou)		
159			太倉沙溪物流項目一(蘇州)	Taicang Shaxi Logistics Project I (Suzhou)	沙溪物流項目	Shaxi Logistics Project
160			太倉沙溪物流項目二(蘇州)	Taicang Shaxi Logistics Project II (Suzhou)		
161			望亭物流項目(蘇州)	Wangting Logistics Project (Suzhou)		
162			張家港數據中心(蘇州)	Zhangjiagang Internet Data Center (Suzhou)		
163			張家港物流項目(蘇州)	Zhangjiagang Logistics Project (Suzhou)		
164		Zhenjiang	遠洋心裡(鎮江)	Central Mansion (Zhenjiang)		
165			丹陽天铂(鎮江)	Danyang Sky Masion (Zhenjiang)		
166		Yangzhou	大河宸章(揚州)	Grand Canal Milestone (Yangzhou)		
167			美居生活廣場(揚州)	Home Furniture Mall (Yangzhou)		
168			遠洋廣陵宸章(揚州)	Royal Mansion (Yangzhou)		Sino-Ocean Grand Canal Milestone

	Regions	Cities	Project names (Chinese)	Project names (English)	Project names used before (Chinese)	Project names used before (English)
169			天鉞(揚州)	Sky Masion (Yangzhou)		
170		Wuxi	公園里(無錫)	Life in Park (Wuxi)		
171			蠶巖(無錫)	One Residence (Wuxi)	新吳區梅村地塊	Meicun Plot, Xinwu District
172			天鉞(無錫)	Sky Masion (Wuxi)		
173			遠洋太湖宸章(無錫)	Taihu Milestone (Wuxi)	裕沁項目	Yuqin Project
174		Changzhou	愛琴海購物公園(常州)	Aegean Place (Changzhou)		
175			國際廣場(常州)	International Plaza (Changzhou)		
176		Nanjing	濱江物流項目(南京)	Binjiang Logistics Project (Nanjing)		
177			南京空港項目(南京)	Nanjing Airport Project (Nanjing)		
178			遠洋萬和四季(南京)	Ocean Seasons (Nanjing)		
179			遠洋棠悅山水(南京)	Sino-Ocean Tangyue Landscape (Nanjing)		
180			遠洋萬和方山望(南京)	The One (Nanjing)		
181		Nantong	天鉞(南通)	Sky Masion (Nantong)		
182			星銀海城市客廳(南通)	Star City (Nantong)		
183		Jinhua	金義天鉞(金華)	Jinyi Sky Masion (Jinhua)		
184			遠洋瀾山院子(金華)	Ocean Mountain Courtyard (Jinhua)		
185		Huzhou	安吉數據中心(湖州)	Anji Internet Data Center (Huzhou)		
186		Hangzhou	大運河商務區項目(杭州)	Canal Business Center Project (Hangzhou)		
187			遠洋樂堤港(杭州)	Grand Canal Place (Hangzhou)		
188			九龍灣項目(杭州)	Jiulongwan Project (Hangzhou)		
189			厘望Neo1(杭州)	Neo 1 (Hangzhou)	厘望軒	
190			宸章新邸(杭州)	Ocean New Masterpiece (Hangzhou)	拱墅區祥符地塊	Xiangfu Plot, Gongshu District
191			遠洋西溪公館(杭州)	Xixi Mansion (Hangzhou)		
192		Huai'An	國際廣場(淮安)	International Plaza (Huai'An)		
193		Jiaxing	平湖物流項目(嘉興)	Pinghu Logistics Project (Jiaxing)		
194			乍浦產業園(嘉興)	Zhapu Logistics Center (Jiaxing)	乍浦物流項目	Zhapu Logistics Project
195		Ningbo	遠澤余姚泗門物流園(寧波)	Sino-Fusion Yuyao Simen Logistics Park (Ningbo)		
196		Xuzhou	賈旺產業園(徐州)	Jiawang Industrial Park (Xuzhou)	賈旺物流項目	Jiawang Logistics Project

	Regions	Cities	Project names (Chinese)	Project names (English)	Project names used before (Chinese)	Project names used before (English)
197	Southern Region	Shenzhen	荔山項目(深圳)	Lishan Project (Shenzhen)		
198			龍華區德愛電子廠項目(深圳)	Longhua District De Ai Industrial Park (Shenzhen)		
199			遠洋新幹線(深圳)	Ocean Express (Shenzhen)	南聯項目	Nanlian Project
200			遠洋天著(深圳)	Ocean Palace (Shenzhen)		
201			深圳濱海大廈(深圳)	Ocean Seafront Towers (Shenzhen)	遠洋廣場	Ocean Plaza
202			天和(深圳)	Peace Palace (Shenzhen)		
203	Zhongshan		遠洋繁花里(中山)	Blossoms Valley (Zhongshan)	神灣項目	Shenwan Project
204			遠洋天成(中山)	Natural Mansion (Zhongshan)		
205			遠洋城(中山)	Ocean City (Zhongshan)		
206			遠洋翡翠郡(中山)	Ocean Emerald (Zhongshan)	南頭項目	Nantou Project
207			遠洋瓏郡(中山)	Ocean Longshire (Zhongshan)	橫欄項目	Henglan Project
208			遠洋天著(中山)	Ocean Palace (Zhongshan)	中山天著	
209			時光樾(中山)	SCity (Zhongshan)	南頭穗西村162商住項目	Suixicun 162 Project, Nantou
210			時光樾(中山)	SCity (Zhongshan)	南頭穗西村163商住項目	Suixicun 163 Project, Nantou
211			遠洋山水(中山)	Sino-Ocean Landscape (Zhongshan)		
212			中薈城(中山)	Zhonghui City (Zhongshan)	南頭穗西村135項目	Suixicun 135 Project, Nantou
213	中薈城(中山)	Zhonghui City (Zhongshan)	南頭穗西村136項目	Suixicun 136 Project, Nantou		
214	中薈城(中山)	Zhonghui City (Zhongshan)	南頭穗西村137項目	Suixicun 137 Project, Nantou		
215	Guangzhou		東灣(廣州)	East Bay (Guangzhou)	朱村街凰崗村項目	Fenggangcun, Zhucun Street Project
216			遠洋天驕(廣州)	Elite Palace (Guangzhou)	廣州粵隆客車廠	Yuelong Project
217			芙蓉墅(廣州)	Hibiscus Villa (Guangzhou)	芙蓉墅項目	Hibiscus Villa Project
218			花都產業園項目(廣州)	Huadu Industrial Park Project (Guangzhou)		
219			遠洋天成(廣州)	Natural Mansion (Guangzhou)		
220			遠洋風景(廣州)	Ocean Prospect (Guangzhou)		
221			Zhanjiang		遠洋城(湛江)	Ocean City (Zhanjiang)
222	Jiangmen		雲著(江門)	Cloud Mansion (Jiangmen)		
223			遠洋天成(江門)	Top Mansion (Jiangmen)		
224	Zhangzhou		星海天宸(漳州)	Sea and Star (Zhangzhou)		

	Regions	Cities	Project names (Chinese)	Project names (English)	Project names used before (Chinese)	Project names used before (English)
225			遠洋風景(漳州)	Sino-Ocean Scenery (Zhangzhou)		
226		Foshan	漫悅灣(佛山)	Delight River (Foshan)		
227			遠洋天驕(佛山)	Elite Palace (Foshan)	遠洋華遠天驕	
228			風景(佛山)	Landscape (Foshan)	順德區勒流地塊	Leliu Plot, Shunde District
229			天成(佛山)	Natural Mansion(Foshan)		
230		Maoming	遠洋山水(茂名)	Sino-Ocean Landscape (Maoming)		
231		Xiamen	廈門遠洋風景(廈門)	Ocean Prospect (Xiamen)	同安區城南片區地塊	Chengnan Plot, Tong'an District
232			天成(廈門)	Top Mansion (Xiamen)	翔安區2017XP03地塊	Plot 2017XP03, Xiang'an District
233		Longyan	遠洋山水(龍岩)	Sino-Ocean Landscape (Longyan)		
234		Fuzhou	愛琴海購物公園(福州)	Aegean Place (Fuzhou)		
235			東江灣(福州)	East Bay (Fuzhou)		
236			東江灣悅境(福州)	East Bay Upgrade (Fuzhou)		
237			遠洋天賦(福州)	Ocean Tianfu (Fuzhou)	倉山區2020-65號地塊	Plot 2020-65, Cangshan District
238			遠洋山水(福州)	Sino-Ocean Landscape (Fuzhou)		
239		Sanya	遠洋山海(三亞)	Ocean Hill (Sanya)		Ocean Treasure
240		Hong Kong	LP6(香港)	LP6 (Hong Kong)		
241			南嶼崑林(香港)	Mt. La Vie (Hong Kong)	長沙項目	Cheung Sha Project
242			千望(香港)	Uptify (Hong Kong)	旺角煙廠街項目	Yin Chong Street Project, Mongkok
243	Central Region	Wuhan	愛琴海購物公園(武漢)	Aegean Place (Wuhan)		
244			蔡甸物流項目(武漢)	Caidian Logistics Project (Wuhan)		
245			遠洋里(武漢)	Citylane (Wuhan)		
246			東西湖物流項目(武漢)	Dongxihu Logistics Project (Wuhan)		
247			東西湖新溝物流項目(武漢)	Dongxihu Xingou Logistics Project (Wuhan)		
248			遠洋心漢口(武漢)	Heart of Hankow (Wuhan)	賀家墩項目	Hejiadun Project
249			華中大數據產業園(武漢)	Huazhong Big Data Industrial Park (Wuhan)	武漢江夏區IDC項目	
250			江夏物流項目(武漢)	Jiangxia Logistics Project (Wuhan)		
251			遠洋東方境世界觀(武漢)	Oriental World View (Wuhan)	漢陽區歸元寺項目	Hanyang District Guiyuan Temple
252			天鉅(武漢)	Sky Masion (Wuhan)		

	Regions	Cities	Project names (Chinese)	Project names (English)	Project names used before (Chinese)	Project names used before (English)
253			遠洋長江樺(武漢)	Yangtze Opus (Wuhan)	江岸區蕩陽天項目	Yanyangtian Project, Jiang'an District
254			漢陽區鍾家村地塊(武漢)	Zhongjiacun Plot, Hanyang District (Wuhan)		
255		Changsha	愛琴海購物公園(長沙)	Aegean Place (Changsha)		
256			天鉞(長沙)	Sky Masion (Changsha)		
257			湘江公館(長沙)	Special Mansion (Changsha)		
258		Zhengzhou	楓丹宸悅(鄭州)	Fontaine Polaris (Zhengzhou)		
259			天悅(鄭州)	Glory Mansion (Zhengzhou)		
260			榮寓(鄭州)	Grand Apartment (Zhengzhou)		
261			遠洋沁園(鄭州)	Ocean Landscape Courtyard (Zhengzhou)	遠洋沁園山水	
262			遠洋萬和四季(鄭州)	Ocean Melody (Zhengzhou)	綠博113號地	Lvbo Plot 113
263			遠洋風景(鄭州)	Ocean Prospect (Zhengzhou)	新鄭市龍湖鎮107國道項目	107 Road Project, Longhu Town
264			榮府(鄭州)	Rong Fu (Zhengzhou)		
265			遠洋臻園(鄭州)	The Collection (Zhengzhou)	臻園	Ideal House
266		Ganzhou	愛琴海購物公園(贛州)	Aegean Place (Ganzhou)		
267			天鉞(贛州)	Sky Masion (Ganzhou)		
268		Hefei	合肥物流項目I期(合肥)	Hefei Logistics Project, Phase I (Hefei)		
269			合肥物流項目II期(合肥)	Hefei Logistics Project, Phase II (Hefei)		
270			合肥物流項目III期(合肥)	Hefei Logistics Project, Phase III (Hefei)		
271			合肥物流項目IV期(合肥)	Hefei Logistics Project, Phase IV (Hefei)		
272			遠洋星悅(合肥)	Ideal Bourn (Hefei)	肥東縣FD202102地塊	Plot FD202102, Feidong County
273			遠洋萬和雲錦(合肥)	Ocean Glory (Hefei)	肥東縣FD18-13地塊	Feidong FD18-13 Project
274			遠洋廬玥風景(合肥)	Ocean Landscape (Hefei)		
275			經開區芙蓉路西地塊(合肥)	West Furong Road Plot, Jingkai District (Hefei)		
276		Nanchang	愛琴海購物公園(南昌)	Aegean Place (Nanchang)		
277			遠洋天著(南昌)	Ocean Palace (Nanchang)	灣里區178項目	Wanli 178 Project
278			九灣天鉞(南昌)	Sky Masion (Nanchang)		
279	Western Region	Chengdu	遠洋森海境(成都)	Ocean Ecological Land (Chengdu)	新都區新都新城地塊	Xindu New Town Plot, Xindu District
280			遠洋香匯(成都)	Ocean Luxury City (Chengdu)	青羊項目	Qingyang Project

	Regions	Cities	Project names (Chinese)	Project names (English)	Project names used before (Chinese)	Project names used before (English)
281			青白江數據中心A區(成都)	Qingbaijiang Internet Data Center, Zone A (Chengdu)	青白江數據中心	Qingbaijiang Internet Data Center
282			青白江數據中心C區(成都)	Qingbaijiang Internet Data Center, Zone C (Chengdu)	遠雲信飛數據中心	Yuanyunxinfei Internet Data Center
283			青白江物流項目(成都)	Qingbaijiang Logistics Project (Chengdu)		
284			遠洋太古里(成都)	Sino-Ocean Taikoo Li (Chengdu)		
285			溫江數據中心(成都)	Wenjiang Internet Data Center (Chengdu)		
286		Xi'an	愛琴海購物公園(西安)	Aegean Place (Xi'an)		
287			楓丹唐悅(西安)	Emperor Chic (Xi'an)	趙村項目	Zhaocun Project
288			楓丹江嶼(西安)	Fontaine Island (Xi'an)		
289			遠洋未央華府(西安)	Ocean Mansion (Xi'an)	王家棚DK1地塊	Plot DK1, Wangjiapeng
290			秦漢產業園(西安)	Qinhan Logistics Center (Xi'an)	秦漢新城物流項目	Qinhanxincheng Logistics Project
291			遠洋涇河新城大數據中心(西安)	Sino-Ocean Jinghe New Town Internet Data Center (Xi'an)		
292			遠洋御山水(西安)	Sino-Ocean Royal Landscape (Xi'an)		
293			天鉞(西安)	Sky Masion (Xi'an)		
294			咸陽物流項目(西安)	Xianyang Logistics Project (Xi'an)		
295		Guiyang	遠洋萬和世家(貴陽)	Sino-Ocean Aristocratic Family (Guiyang)		
296			遠洋風景(貴陽)	Sino-Ocean Prospect (Guiyang)		
297			觀山天鉞(貴陽)	Sky Masion (Guiyang)		
298			觀山天鉞商業(貴陽)	Sky Masion, Retail (Guiyang)		
299		Xining	愛琴海購物公園(西寧)	Aegean Place (Xining)		
300			天鉞(西寧)	Sky Masion (Xining)		
301			天闕(西寧)	Sky Palace (Xining)		
302		Urumqi	天麓(烏魯木齊)	Mansion Hills (Urumqi)		
303			天御(烏魯木齊)	Royal Mansion (Urumqi)		
304			天鉞(烏魯木齊)	Sky Masion (Urumqi)		
305			天闕(烏魯木齊)	Sky Palace (Urumqi)		
306		Liuzhou	愛琴海購物公園(柳州)	Aegean Place (Liuzhou)		
307			天悅(柳州)	Glory Mansion (Liuzhou)		
308			天鉞(柳州)	Sky Masion (Liuzhou)		



	Regions	Cities	Project names (Chinese)	Project names (English)	Project names used before (Chinese)	Project names used before (English)
309		Chongqing	重慶物流項目I期(重慶)	Chongqing Logistics Project, Phase I (Chongqing)		
310			重慶物流項目II期(重慶)	Chongqing Logistics Project, Phase II (Chongqing)		
311			楓樺四季(重慶)	Fenghua Melody (Chongqing)	重慶大學城項目	Chongqing College Town Project
312			楓丹江嶼(重慶)	Fontaine Island (Chongqing)	茶園項目	Chayuan Project
313			江津物流項目(重慶)	Jiangjin Logistics Project (Chongqing)		
314			兩江新區數據中心(重慶)	Liangjiang New Town Internet Data Center (Chongqing)		
315			玖悅蘭庭(重慶)	Life In Art Dist (Chongqing)	九龍坡區灘子口地塊	Tanzikou Plot, Jiulongpo District
316			遠洋城(重慶)	Ocean City (Chongqing)	九龍坡區高廟地塊	Gaomiao Plot, Jiulongpo District
317			遠洋山水賦(重慶)	Poetry of Landscape (Chongqing)		
318			遠洋公園(重慶)	Sino-Ocean Garden (Chongqing)	遠洋高爾夫國際社區	Sino-Ocean International Golf Resort
319		Xishuangbanna	雨林源築(西雙版納)	Rainforest Resorts (Xishuangbanna)		
320		Kunming	遠洋新幹線(昆明)	In Galaxy (Kunming)	呈貢大學城項目	Chenggong Project
321			遠洋新幹線(昆明)	In Galaxy (Kunming)	呈貢大學城二期項目	Chenggong Project, Phase II
322			昆明空港項目(昆明)	Kunming Airport Project (Kunming)		
323			遠洋青雲府(昆明)	Sino-Ocean Esthetics Mansion (Kunming)		
324		Luzhou	天鉞(瀘州)	Sky Masion (Luzhou)		
325		Lanzhou	天鉞(蘭州)	Sky Masion (Lanzhou)		
326		Qiannan	貴陽物流項目I期(黔南)	Guiyang Logistics Project, Phase I (Qiannan)		
327			貴陽物流項目II期(黔南)	Guiyang Logistics Project, Phase II (Qiannan)		
328	Indonesia		大雅加達項目(印尼)	Alam Sutera Project (Indonesia)		
329	Singapore		禧盈軒(新加坡)	Cairnhill 16 (Singapore)	禧盈峰	Cairnhill Heights
330	USA		加州資產包(美國)	California Asset Package (USA)		
331			北卡羅萊納州項目(美國)	North Carolina Project (USA)		
332			三藩市項目(美國)	San Francisco Project (USA)		

遠洋集團控股有限公司  
SINO-OCEAN GROUP HOLDING LIMITED

---

地址: 香港金鐘道88號太古廣場一座601  
Address: Suite 601, One Pacific Place, 88 Queensway, Hong Kong  
電話: Tel: +852 2899 2880

地址: 北京市朝陽區東四環中路56號遠洋國際中心A座32層  
Address: 32nd Floor, Tower A, Ocean International Center, 56 Dongsihuanzhonglu,  
Chaoyang District, Beijing  
電話: Tel: +8610 5929 3377

[www.sinooceangroup.com](http://www.sinooceangroup.com)



遠洋集團官方微信  
Sino-Ocean Group  
Official WeChat

