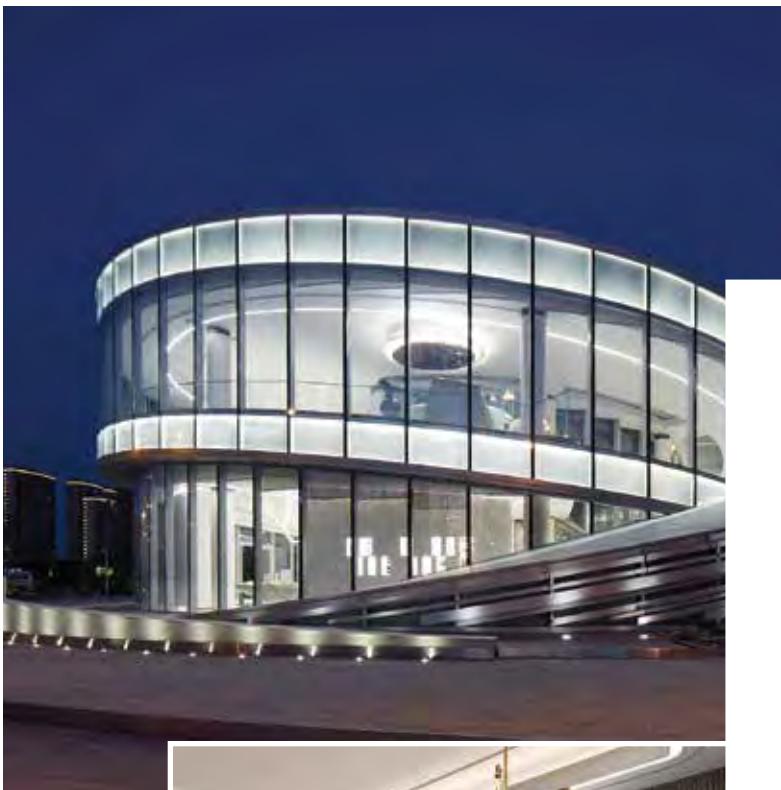




YANLORD LAND GROUP LIMITED



ANNUAL
REPORT
2020

BUILDING A DIVERSIFIED PORTFOLIO

Cover images from top:

Smriti Curtilage • Suzhou • China

藕前別墅 • 苏州 • 中国

(Image Copyright@TK CHU DESIGN 邱德光设计)

Yanlord Central Lake • Taicang • China

仁恒时代天境 • 太仓 • 中国

Leedon Green • Singapore

绿墩雅苑 • 新加坡

CONTENTS

2	CORPORATE PHILOSOPHY MISSION STATEMENT • ABOUT US
3	2020 KEY HIGHLIGHTS
4	OUR BUSINESS
8	CHAIRMAN'S STATEMENT
14	OPERATIONAL HIGHLIGHTS
15	FINANCIAL HIGHLIGHTS
18	OUR PROJECT SHOWCASE
40	OPERATION REVIEW
56	DEVELOPMENT SCHEDULE SUMMARY
66	BOARD OF DIRECTORS
72	SENIOR MANAGEMENT
76	FINANCIAL STATEMENTS
186	INTERESTED PERSON TRANSACTIONS
187	SHAREHOLDING STATISTICS
189	CORPORATE GOVERNANCE
218	NOTICE OF ANNUAL GENERAL MEETING
225	ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION
	PROXY FORM
	REQUEST FORM
	CORPORATE INFORMATION


6
MAJOR
ECONOMIC
REGIONS
IN THE PRC

18
CITIES

YANGTZE RIVER DELTA
Shanghai
Nanjing
Suzhou
Hangzhou
Nantong
Yancheng
Taicang

WESTERN CHINA
Chengdu

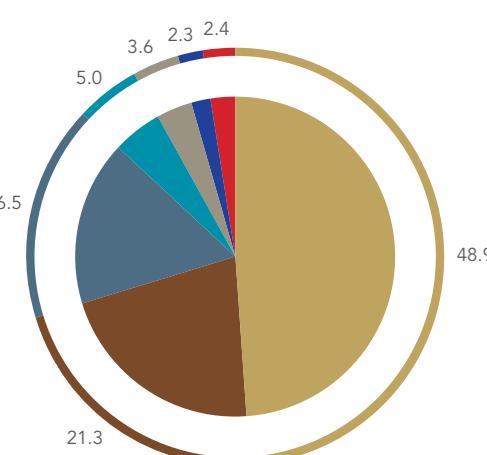
BOHAI RIM
Tianjin
Tangshan
Jinan
Shenyang

GREATER BAY AREA
Shenzhen
Zhuhai
Zhongshan

HAINAN
Haikou
Sanya

CENTRAL CHINA
Wuhan

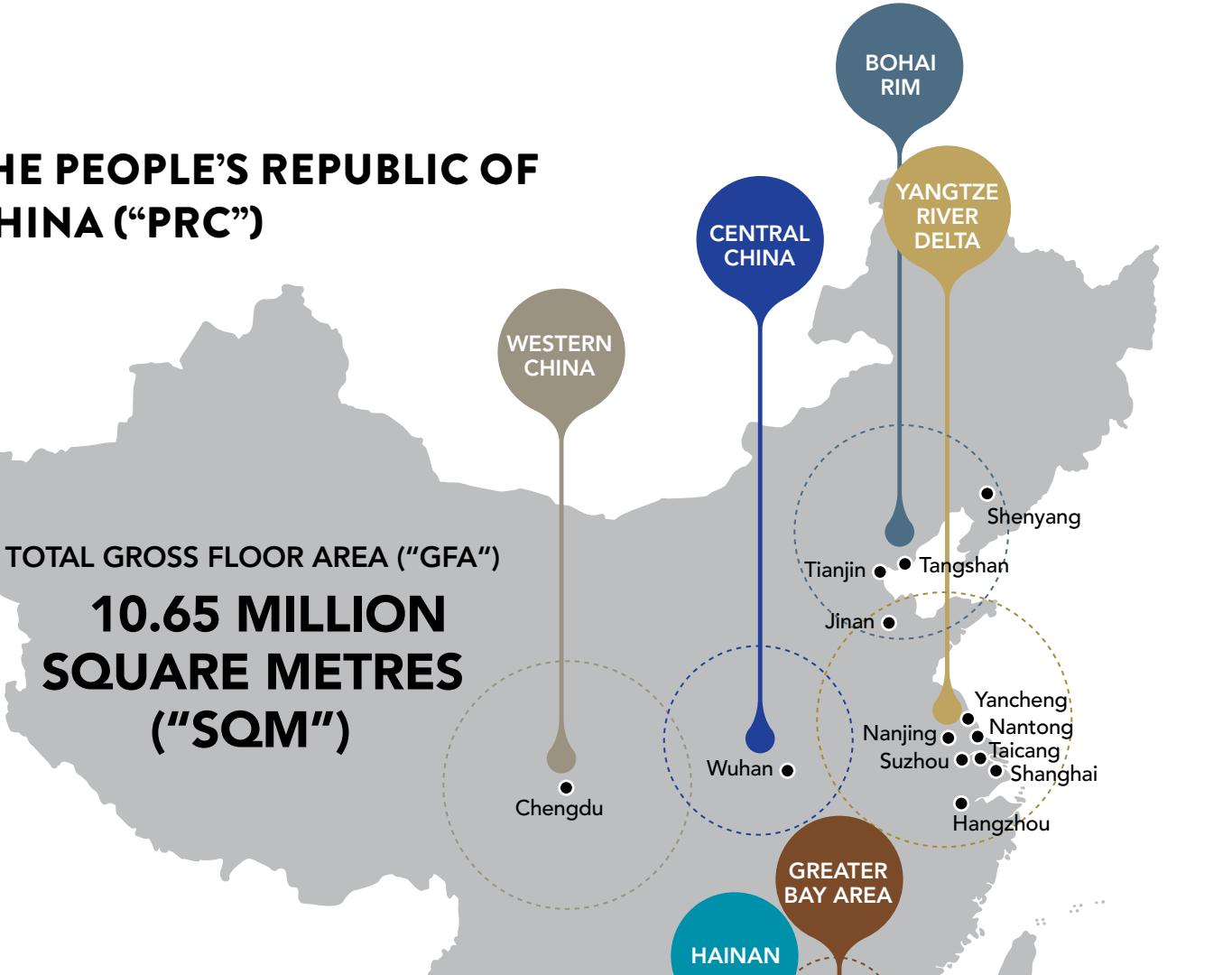
LANDBANK DISTRIBUTION
PRC SIX REGIONS & SINGAPORE (%)



■ Yangtze River Delta
■ Greater Bay Area
■ Bohai Rim
■ Hainan
■ Western China
■ Central China
■ Singapore

OUR GEOGRAPHIC PRESENCE

THE PEOPLE'S REPUBLIC OF CHINA ("PRC")



Scale
1 : 32 000 000

SINGAPORE



Scale
1 : 400 000
The maps shown herein are not in same scale and only for illustration purposes.



PROPERTIES IN SINGAPORE

- UE BizHub CITY
- UE BizHub TOWER
- UE BizHub WEST
- UE BizHub CENTRAL
- Rochester Mall
- Park Avenue Clemenceau
- Park Avenue Rochester
- Park Avenue Robertson
- Park Avenue Changi*
- Leedon Green
- Dairy Farm Residences
- WBL Building

* Under hotel management agreement

CORPORATE PHILOSOPHY

**DEVELOPING LAND WITH
DEVOTION, BUILDING
QUALITY ACCOMMODATION
WITH PASSION**

善待土地 用心造好房

MISSION STATEMENT

**MANAGING WITH
BENEVOLENCE AND INTEGRITY,
ACHIEVING PERPETUITY
THROUGH PERSEVERANCE**

仁信治业 持之以恒

ABOUT US

Yanlord Land Group Limited ("Yanlord" or the "Company" and together with its subsidiaries, the "Group") is a real estate developer focusing on developing high-end fully-fitted residential, commercial and integrated property projects in strategically selected key and high-growth cities in the People's Republic of China ("PRC") and Singapore. Yanlord has been listed on the Mainboard of the Singapore Exchange since June 2006. Since Yanlord's foray into the PRC property market in 1993, it has successfully developed a number of large-scale residential property developments with international communities of residents. Building on its established track record for developing high-end residential property developments in prime locations within affluent cities of the PRC, the "Yanlord" name has been developed into a premium brand synonymous with quality within the property development industry of the PRC. Typically, Yanlord's residential property developments are characterised by large-scale, multi-phased projects designed and built by international architects, leading designers and reputable contractors.

Currently, the Group has an established presence in 18 key high-growth cities within the six major economic regions of the PRC, namely:

- Yangtze River Delta – Shanghai, Nanjing, Suzhou, Hangzhou, Nantong, Yancheng and Taicang;
- Western China – Chengdu;

- Bohai Rim – Tianjin, Tangshan, Jinan and Shenyang;
- Greater Bay Area – Shenzhen, Zhuhai and Zhongshan;
- Hainan – Haikou and Sanya; and
- Central China – Wuhan.

In Singapore, Yanlord currently has two residential projects under development, namely Leedon Green and Dairy Farm Residences.

Since 2003, Yanlord has been developing high-quality commercial and integrated properties for long-term investment purpose, such as shopping malls, offices, serviced apartments and hotels. Currently, Yanlord holds a portfolio of core completed investment and hotel properties, including Yanlord Landmark and Hengye International Plaza in Chengdu; Yanlord Riverside Plaza in Tianjin; Yanlord Marina Centre in Zhuhai; Crowne Plaza Sanya Haitang Bay Resort in Sanya; and Yanlord International Apartments, Tower A and Yanlord Landmark in Nanjing, in the PRC. Through the acquisition of then another Singapore Exchange-listed company - United Engineers Limited ("UEL"), the Group holds a high-quality investment property portfolio and hotels in Singapore, including UE BizHub CITY (including Park Avenue Clemenceau), UE BizHub TOWER, UE BizHub WEST, Rochester Mall and Park Avenue Rochester and Park Avenue Robertson. These projects are generating a growing rental income and increase the asset value for the Group.

2020 KEY HIGHLIGHTS

2020 KEY NUMBERS	
Total contracted pre-sales* (RMB billion)	78.455
Total contracted pre-sales* (GFA million sqm)	2.1
Total contracted average selling price* (RMB/sqm)	36,638
Total accumulated contracted pre-sales amount pending recognition* (RMB billion)	106.452
Total accumulated contracted pre-sales GFA pending recognition* (GFA million sqm)	3.1
Total revenue (RMB billion)	23.918
Gross profit margin (%)	36.4
Profit attributable to owners of the Company (RMB billion)	2.592
Dividend (SGD cents)	6.8
Total assets (RMB billion)	146.560
Cash and cash equivalents (RMB billion)	17.200
Net debt (RMB billion)	25.682
Net gearing ratio (%)	63.2
Average cost of borrowings (%)	5.2
Net asset value per share (RMB)	16.16

* the Group together with its joint ventures and associates

PROPERTY CONTRACTED PRE-SALES



Note:

1 Year-on-year

OUR BUSINESS

PROPERTY DEVELOPMENT - RESIDENTIAL, COMMERCIAL & INTEGRATED PROPERTIES



Yanlord Gardens • Shanghai • China | 仁恒滨江园 • 上海 • 中国



Yanlord Marina Centre • Zhuhai • China | 仁恒滨海中心 • 珠海 • 中国



Yanlord Gardens • Nantong • China | 仁恒花园 • 南通 • 中国



Leedon Green • Singapore | 绿墩雅苑 • 新加坡

Yanlord develops large-scale projects located in prime and high-end residential areas. Yanlord's development comprises of apartment complexes and villas that are designed to provide its customers with an assurance of quality, a complete lifestyle experience and a sense of community living. Residential property developments are equipped with facilities and amenities such as child-care centers, kindergartens, dining facilities, gym facilities, swimming pools and other sporting facilities. Yanlord also develops high-end commercial and integrated properties such as offices, serviced apartments and retail shops for sale in the PRC.

PROPERTY INVESTMENT AND HOTEL OPERATIONS



Yanlord Landmark • Chengdu • China | 仁恒置地广场 • 成都 • 中国



Park Avenue Rochester • Singapore | 公园大道(罗切斯特)酒店 • 新加坡

Since 2003, Yanlord has developed or acquired high-quality commercial and integrated properties for long-term recurring income generation and investment purpose, such as shopping malls, offices, serviced apartments and hotels. As part of its strategy to generate additional and recurrent revenue streams, Yanlord retains some of its commercial and integrated developments as investment properties for lease in order to maximise long-term benefits from the growth potential of the selected commercial property segments in key cities. Yanlord plans to build up a portfolio of investment properties selectively and progressively, while continuing to grow its core property development business.

PROPERTY MANAGEMENT SERVICES



Yanlord also provides property management services for its commercial and residential properties. While Yanlord places strong emphasis on maintaining the quality of its property developments, provision of excellent property management services has also enhanced the value of its brand equity, strengthened the recognition by its customers and protected the image of its developments. Yanlord believes that this business model preserves the value of its existing property developments and enhances its reputation as a responsible property developer.

OTHER NON-PROPERTY BUSINESS

Through the acquisition of UEL, the Group expands its international business platform into various other businesses in various countries.



Smriti Curtilage • Suzhou • China | 耦前別墅 • 苏州 • 中国



PROPELLING FUTURE GROWTH

ACCELERATING DEVELOPMENT PACE
IN TARGET MARKETS

In FY 2020, the total property contracted pre-sales of the Group together with its joint ventures and associates reached RMB78.455 billion, an increase of 40.8% over FY 2019.

The Group will continue to penetrate its investment into the Yangtze River Delta and continue to enhance its investment and development in the Greater Bay Area and the Bohai Rim urban agglomeration in a balanced manner, and selected high-growth cities in Hainan, Central China and Western China to create a focused and balanced strategic investment in the PRC.

Yanlord Arcadia is located near the heart of Yangpu District in Shanghai City with a site area of around 69,400 sqm and a total GFA of 183,215 sqm. It comprises residential properties and retail shops. Yanlord commenced its construction for this project in September 2020 and expects to complete construction in 2023.



Yanlord Arcadia • Shanghai • China | 仁恒海上源 • 上海 • 中国



Yanlord Arcadia • Shanghai • China | 仁恒海上源 • 上海 • 中国



CHAIRMAN'S STATEMENT

ZHONG SHENG JIAN
Chairman and CEO

TESTAMENT TO THE STRONG BUYER SUPPORT FOR YANLORD'S HIGH-QUALITY DEVELOPMENTS IN THE PRC, THE TOTAL PROPERTY CONTRACTED PRE-SALES OF THE GROUP TOGETHER WITH ITS JOINT VENTURES AND ASSOCIATES ROSE 40.8% TO RMB78.455 BILLION IN FY 2020 COMPARED TO RMB55.704 BILLION IN FY 2019.

Dear Shareholders,

It is with great pleasure that I present to you Yanlord Land Group Limited's ("Yanlord" or "Company" and together with its subsidiaries, "Group") annual report for the financial year ended 31 December 2020 ("FY 2020").

The year of COVID-19 pandemic has badly hit the global economy. Yanlord's key market, the People's Republic of China ("PRC"), is one of the few major economies to post growth. Notably, our focus of building premium developments in the high-growth economic regions and cities within the PRC has served us well. This is especially the case when the PRC pivot towards domestic driven growth.

Yanlord has long established presence in the Yangtze River Delta, the Greater Bay Area as well as Chengdu, Tianjin and various other cities, in the PRC, where there are strong industrial base and positive economic outlook that attract talents to sustain the market growth. These have become the engine of economic recovery from COVID-19 pandemic. Having long established ourselves in the leading high-growth cities of the PRC, the Yanlord branded premium developments and well-run residential apartments are highly sought after by home buyers looking to upgrade their properties.

A NEW SET OF RECORD FOR PROPERTY CONTRACTED PRE-SALES ACHIEVED IN FY 2020

Demand for Yanlord's high-quality developments continues to be supported by a healthy home buyer base amidst the COVID-19 pandemic. Testament to the strong buyer support for Yanlord's high-quality developments in the PRC, the total property contracted pre-sales of the Group together with its joint ventures and associates rose 40.8% to RMB78.455 billion in FY 2020 compared to RMB55.704 billion for the financial year ended

31 December 2019 ("FY 2019"). In FY 2020, a total gross floor area ("GFA") of 2.14 million square metres ("sqm") was sold with an increase of 14.0% over FY 2019. Average selling price ("ASP") achieved for FY 2020 was RMB36,638 per sqm, representing an increase of 23.6% compared to FY 2019. With our strategic planning in penetrating into Yangtze River Delta and Greater Bay Area over the years, property sales in these two regions contributed 69.7% and 16.3%, respectively of the total property contracted pre-sales of the Group together with its joint ventures and associates in FY 2020.

In terms of revenue, the Group recorded an increase of 28.1% to have reached RMB23.918 billion in FY 2020 over last year, of which, RMB20.960 billion was contributed from property development, RMB1.139 billion from property investment and hotel operations, RMB813 million from property management and the remaining from others.

FY 2020 profit attributable to owners of the Company was RMB2.592 billion, a decrease of 22.6% compared to FY 2019, mainly due to net effect from absence of gain on bargain purchase and loss on remeasurement of retained interests in associates and joint venture, and lower fair value gain on investment properties.

GROWING PROPERTY DEVELOPMENT SCALE

Over the past few years, the Group has been enhancing its business performance and operation efficiency, steadily expanding development scale and accelerating development pace. For FY 2020, the Group together with its joint ventures and associates delivered residential and commercial units with a total GFA of 857,299 sqm and 4,922 units of car parks to the customers, an increase of 7.1% and 9.6% respectively compared to FY 2019.

The total revenue from property sales recognised in FY 2020 amounted to RMB24.775 billion, of which, RMB20.842 billion was recognised as revenue of the Group and RMB3.933 billion was recognised as revenue of joint ventures and associates.

SUSTAINABLE INCOME GROWTH FROM PROPERTY INVESTMENT AND HOTEL OPERATIONS

In FY 2020, the total rental and hotel income of the Group generated from the property investment and hotel operations segment rose 24.6% year-on-year to RMB1.139 billion, with the Singapore portfolio accounted for over 40%. The increase was mainly attributed to the acquisition of United Engineers Limited ("UEL"). The growth was partly offset by the commencement of an asset enhancement initiative at Tianjin Yanlord Riverside Plaza's commercial and retail component, which had led to lower rental income contributions from the PRC market, together with the impact of COVID-19 pandemic on hotel operations.

The overall occupancy rate of commercial and office properties held by the Group in the PRC was 88% throughout the financial year under review. In late 2020, Yanlord Landmark in Nanjing held its soft opening with the occupancy rate of the shopping center reached 80%. Cangjie Commercial Plaza in Suzhou and Yanlord Reverie Plaza's retail component in Shenzhen are under construction and have been entering pre-leasing stage with leasing centers opened in 2020. In 2021, retail area of Yanlord Riverside Plaza in Tianjin is planned to be opened progressively for operation.

With the resumption of economy in the PRC, domestic business travel and tourism demand recovered strongly in the second half of financial year ended 31 December 2020 ("2H 2020"), which enabled the occupancy rate of the Group's hotels and serviced apartments to rebound significantly in 2H 2020. The Group's hotels in Sanya and Zhuhai and serviced apartments in Chengdu, the PRC saw occupancy rates near doubled in 2H 2020 compared to first half of the financial year under review. Of the above, boosted by domestic holiday demand after the stabilised condition of

COVID-19 pandemic in the PRC, the Crowne Plaza Sanya Haitang Bay Resort's performance rebounded strongly in 2H 2020 with the total annual income of RMB194 million, rebounded to comparative level of 2019 of RMB209 million. The shopping mall of Chengdu Yanlord Landmark has done well amid the COVID-19 pandemic. After a very challenging 4 months in the beginning of year 2020, retail sales of tenants have grown 11% year-on-year. Uncertainties remain, but our dedicated management team over the year, coupled with our quality property portfolio will rise up to the challenges and seize every opportunity to add value.

The portfolio of high-quality assets and international exposure attained through the acquisition of UEL will also facilitate our long-term sustainable development and growth. With the completion of the acquisition of UEL, the asset value of the investment properties and hotels accounted for 22.1% of the Group's total asset as at 31 December 2020. Commercial and integrated investment property development remains one of the important business segments of the Group. Yanlord plans to prudently pursue for growing the Group's recurring income and achieve synergy among commercial and residential developments. As the COVID-19 pandemic is gradually under control and business activities resume, we remain optimistic about the growth of long-term recurring income of the Group.

PRUDENT FINANCIAL MANAGEMENT

The Group continues to maintain a healthy financial position. Benefiting from the strong property contracted pre-sales for FY 2020 with high collection ratio achieved, cash and cash equivalents of the Group increased by 24.5% to RMB17.200 billion as at 31 December 2020 with net gearing ratio of the Group decreased by 16.9 percentage points to 63.2%, compared to end of year 2019.

LAND ACQUISITIONS

As discussed above, Yanlord focuses on cities and regions with high-growth potential in the PRC. While Yanlord management believes this is the way for growth, such strategy also facilitates the deployment of management resources. This is to ensure Yanlord continues to develop products that are the best in class.

For FY 2020, the Group together with its joint ventures and associates actively deployed capital to replenish a total GFA of approximately 2.32 million sqm of new landbank in the PRC. A total GFA of approximately 1.65 million sqm acquired through public land auctions and collaborations and acquisitions in Shanghai, Nanjing, Suzhou, Taicang, Yancheng, Jinan, Haikou and Wuhan, the PRC; and another total GFA of approximately 0.67 million sqm acquired through two urban renewal projects in Zhuhai and Zhongshan, the PRC. The total investments amounted to approximately RMB25.900 billion, of which, approximately RMB11.000 billion was attributable to the Group.

As of 31 December 2020, the Group together with its joint venture and associates held a total GFA of approximately 10.903 million sqm of landbank in the prime location in 18 high-growth cities in six major economic regions in the PRC and Singapore. Approximately 49% of total landbank is located in Yangtze River Delta and 21% in Greater Bay Area. Tier 1, New Tier 1 and Tier 2 cities of the PRC and Singapore accounted for over 90% of the total landbank.

Our strategic commitment in premium product positioning and long-term penetration in high-growth cities are sound foundations of sustainable growth, contributing to Yanlord's continuous sales growth over the years.

The Group is confident with its professional development capabilities and a prudent investment approach; Yanlord will be able to sustain its competitive advantage and excellent reputation under the backdrop of urbanisation and a growing middle class.

OUTLOOK

The Group together with its joint ventures and associates recorded an accumulated property contracted pre-sales of RMB106.452 billion as at 31 December 2020, which represents a total GFA of approximately 3.1 million sqm pending recognition in the first half of 2021 and beyond.

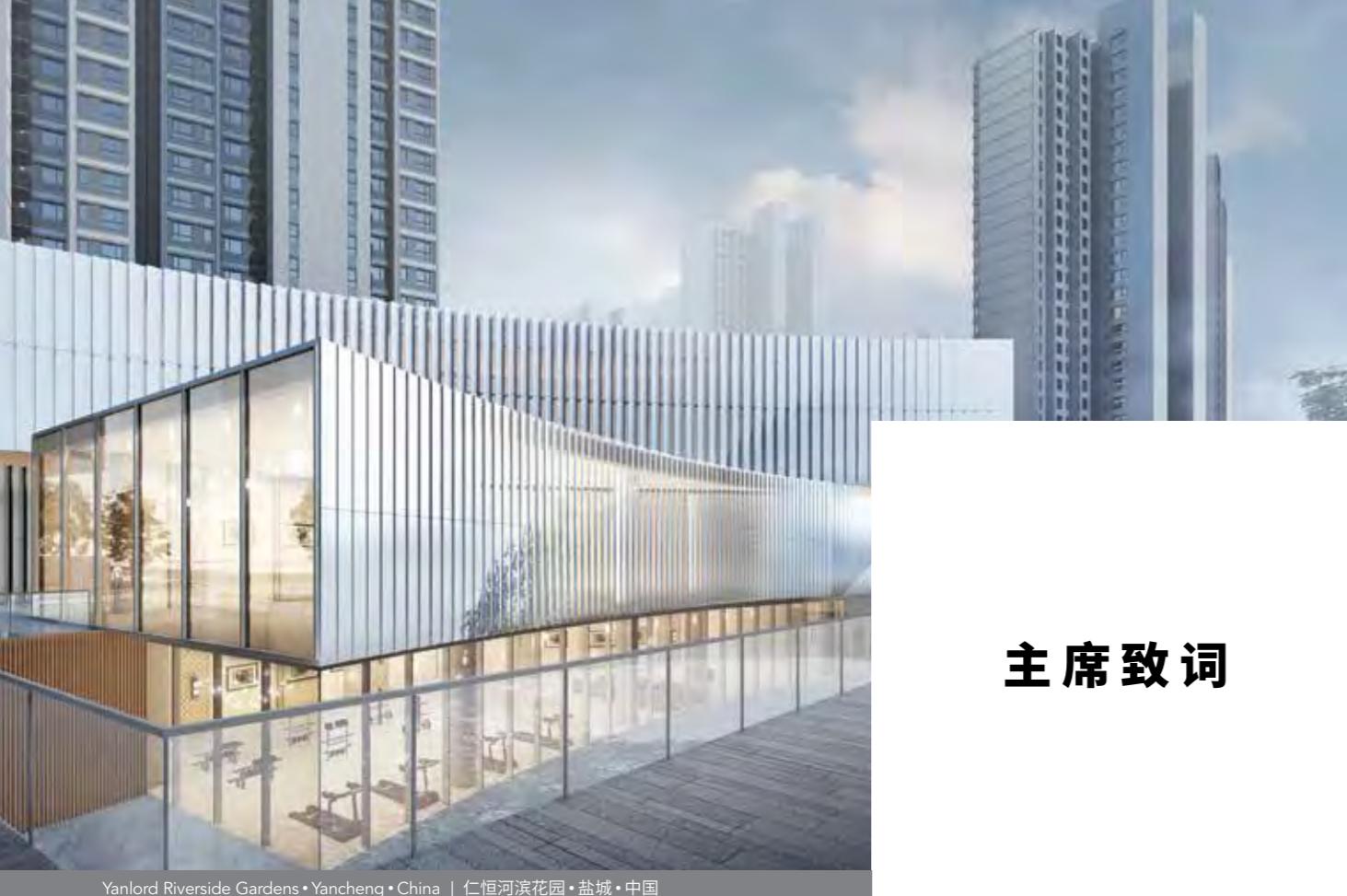
THE GROUP IS CONFIDENT WITH ITS PROFESSIONAL DEVELOPMENT CAPABILITIES AND A PRUDENT INVESTMENT APPROACH; YANLORD WILL BE ABLE TO SUSTAIN ITS COMPETITIVE ADVANTAGE AND EXCELLENT REPUTATION UNDER THE BACKDROP OF URBANISATION AND A GROWING MIDDLE CLASS.

Barring any significant deterioration in the global economy and any other unforeseen circumstances, the board of directors of the Company ("Board") is cautiously confident of the Group's performance relative to the industry trend for the next reporting period and the next 12 months based on the contracted pre-sale numbers to-date, expected delivery schedules and on-schedule construction works in progress.

IN APPRECIATION

I would like to thank our customers, business associates and employees for their support and dedication, whose commitment have been and will continue to be instrumental to the Group's success. My gratitude also goes to fellow Directors for their contribution and guidance to steer the Group through this challenging year. Last but not least, on behalf of the Board, I would also like to express our sincere gratitude to our shareholders for their trust and support. In appreciation, the Board proposed the payment of a final tax-exempt dividend for FY 2020 of 6.80 Singapore cents (equivalent to approximately 34.19 Renminbi cents) per ordinary share representing a dividend payout ratio of 25.5% of FY 2020 profit attributable to owners of the Company. Looking ahead, Yanlord will continue to build on its proven business strategies and endeavor to increase shareholder value through better operational and financial performance.

ZHONG SHENG JIAN
Chairman and CEO



主席致词

尊敬的各位股东：

我很高兴向诸位介绍仁恒置地集团有限公司（“仁恒”或“公司”连同子公司统称“集团”），截至2020年12月31日的财政年度（“2020财政年度”）的年度报告。

疫情之年，全球经济遭受严重挫折。仁恒的主要市场——中国大陆是少有的保持增长的经济体。更为重要的是仁恒一直聚焦中国经济高增长地区和城市，专注于高品质社区开发建设，因此在中国大陆经济更加倚重内需来保持向前动力之时，仁恒深耕于长三角城市群、粤港澳大湾区主要城市，以及成都、天津等城市，因其产业基础雄厚、人口持续导入，经济前景长期向好，而成为此轮经济复苏的动力来源。特别要指出的是，有了长期城市化基础后，“仁恒”品牌的高品质公寓和完善社区成为众多购房者置换升级的市场选择。

物业合约预售创下新纪录

在疫情期间，购房客群对高品质开发项目的需求仍然殷切。2020财政年度全年集团连同其共同控制实体及联营公司的物业合约预售相较于截至2019年12月31日的财政年度（“2019财政年度”）的人民币557.04亿元上升40.8%至人民币784.55亿元，总建筑面积达214万平方米，相比2019财政年度上涨14.0%，反映了仁恒开发的优质产品在中国获得强大的市场支持。2020财政年度的销售均价为人民币36,638元/平方米，比2019财政年度增幅23.6%。多年来我们的战

略规划是深耕长三角和大湾区，至2020财政年度，长三角和大湾区的物业产销售分别占集团连同其共同控制实体及联营公司总物业合约预售额的69.7%和16.3%。

集团2020财政年度全年营业收入达人民币239.18亿元，相比去年同期增长28.1%，其中，人民币209.60亿元为物业开发贡献，物业投资及酒店运营为人民币11.39亿元，物业管理为人民币8.13亿元，其余来自其他业务领域。2020财政年度全年股东应占净利润达人民币25.92亿元，相比2019财政年度下降22.6%，主要是缺少了廉价收购收益及重测算联营公司及共同控制实体权益亏损之净额，以及投资性房地产公允值变动盈利减少影响。

稳健的加大物业开发的发展规模

仁恒在过去几年一直在提绩增效，稳健的加大发展规模，加快开发节奏。在2020财政年度，集团连同其共同控制实体及联营公司向客户交付了总建筑面积合计857,299平方米的住宅及商业物业单位以及4,922个车位，与2019财政年度相比分别增长7.1%和9.6%。2020财政年度确认物业销售收入总额达人民币247.75亿元，其中，集团确认收入为人民币20.842亿元，共同控制实体及联营公司确认收入为人民币39.33亿元。

物业投资和酒店运营收入持续增长

2020财政年度来自集团的自持物业投资和酒店运营的总租金和酒店收入为人民币11.39亿元，相比2019财政年度增长24.6%，其中，新加坡的投资组合占比超过40%。租金收入总体因并购联合工程有限公司（“联合工程”）而上升。天津仁恒海河广场主力商场部分进行大型翻新工程导致集团中国国内租金收入较低，以及受新型冠状病毒大流行影响酒店的运营抵消了并购带来的部分增长。

集团在中国的商业物业全年运营中的物业整体出租率保持在88%。2020年末，南京仁恒置地广场进行试营业，购物中心入驻率达80%。现已动工的苏州仓街商业广场和深圳仁恒梦创广场，已进入预租赁阶段，租赁中心已于2020年开业。2021年，天津仁恒海河广场计划逐步开放运营。

中国经济快速恢复，国内商务和旅游需求在2020年下半年强劲恢复，集团酒店及服务式公寓出租率在2020年下半年因此迅速反弹。集团在三亚和珠海的酒店以及成都的行政公寓在2020年下半年的入住率比上半年翻了近一倍。其中，受疫情稳定后国内度假的需求刺激，三亚海棠湾仁恒皇冠假日酒店下半年业绩强劲反弹，再创历史新高，而2020年全年营业收入人民币1.94亿元，基本追平2019年之人民币2.09亿元的收入水平。同样克服疫情影响的还有成都仁恒置地广场零售商场，在经历了2020年初4个月的困难时期后，商场租户的全年营业额取得了同比增长11%的佳绩。天灾无常，但是否可以抢抓机遇，迎难而上，关键在于团队能力与物业品质。在过去一年，仁恒的团队都成功经受了考验。

通过收购联合工程所具备的优质资产组合和国际多元化布局将更加有利于我们的可持续发展。截至2020年12月31日，随着收购的完成，投资物业和酒店的资产价值占集团总资产的22.1%。商业及综合投资物业开发仍是集团的重要业务之一。仁恒将持续审慎地促进经常性收入的增长，并实现商业和住宅发展的协同效应。随着疫情逐渐受控，经济活动回归正常，我们看好集团未来长期经常性收入的增长。

稳健财务管理

集团持续保持财务稳健，受益于2020财政年度全年物业合约预售增长及高回款率，截至2020年12月31日集团现金及现金等价物较去年同期增长24.5%至人民币172.00亿元，净负债率相比2019年年底下降16.9个百分点降至63.2%。

土地购置

如前文所述，仁恒在中国大陆地区专注于经济增长潜力巨大的区域与城市，这既是基于管理团队对于中国城市化发展趋势的判断，也有利于聚焦管理资源，保证仁恒开发品质精益求精。

集团连同其共同控制实体和联营公司2020财政年度在中国补充了共计土地储备约232万平方米，其中，从招拍挂市场以及股权转让合作及并购两方面成功获取位于上海、南京、苏州、太仓、盐城、济南、海口及武汉共约165万平方米建筑面积新项目；以及获取位于珠海及中山的两个旧改项目新增约67万平方米建筑面积。总投资约人民币259亿元，其中集团约占人民币110亿元。

截至2020年12月31日，集团连同其共同控制实体及联营公司合计持有位于中国六大经济区的18个高增长城市以及新加坡的优质地段合计总建筑面积约1,090.3万平方米的土地储备，其中，约49%位于长三角，21%位于大湾区。中国一线、新一线、二线城市以及新加坡占总土地储备超过90%以上。

“着眼长远的城市布局与定位高端的产品体系”是仁恒置地持续创造集团销售增长的市场基础。仁恒集团有信心在中国持续推进城市化、中产阶级不断成长的背景下，以专业的开发能力，审慎的投资管理，继续保持我们在行业内的竞争优势和市场口碑。

前景展望

截至2020年12月31日，集团连同其共同控制实体及联营公司已预售尚未确认入账的物业合约预售额达到人民币1,064.52亿元，总建筑面积约310万平方米，预期于2021年上半年及往后实现入账。

除非全球经济严重恶化及其他未预见的情况，基于目前的预售量、预计交付的时间表和如期的在建工程，且相对于行业趋势，集团董事局（“董事局”）对集团下一个报告期及未来12个月的表现持谨慎自信的态度。

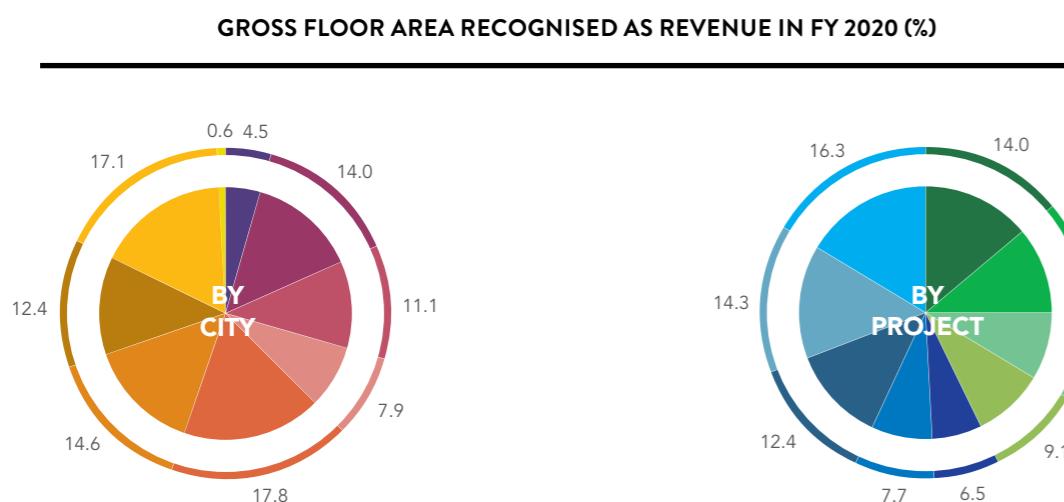
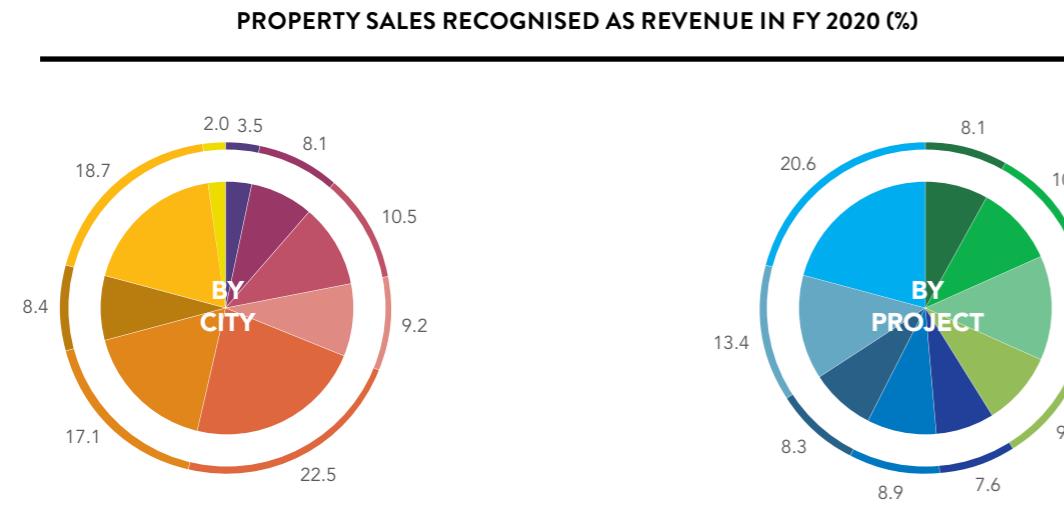
致谢

本人及管理层感谢我们的客户、合作伙伴以及员工一直以来对集团的支持，同时也要感谢董事们在这具有挑战的一年里对集团的指导和贡献。为回馈股东的信任与支持，董事局建议每股普通股派发新币6.80分（等值人民币34.19分）的免税末期股息，股息派息率为2020财政年度全年股东应占净利润的25.5%。展望未来，仁恒将继续以行之有效的商业战略为基础，努力通过更好的运营和财务表现来增加股东价值。

钟声坚

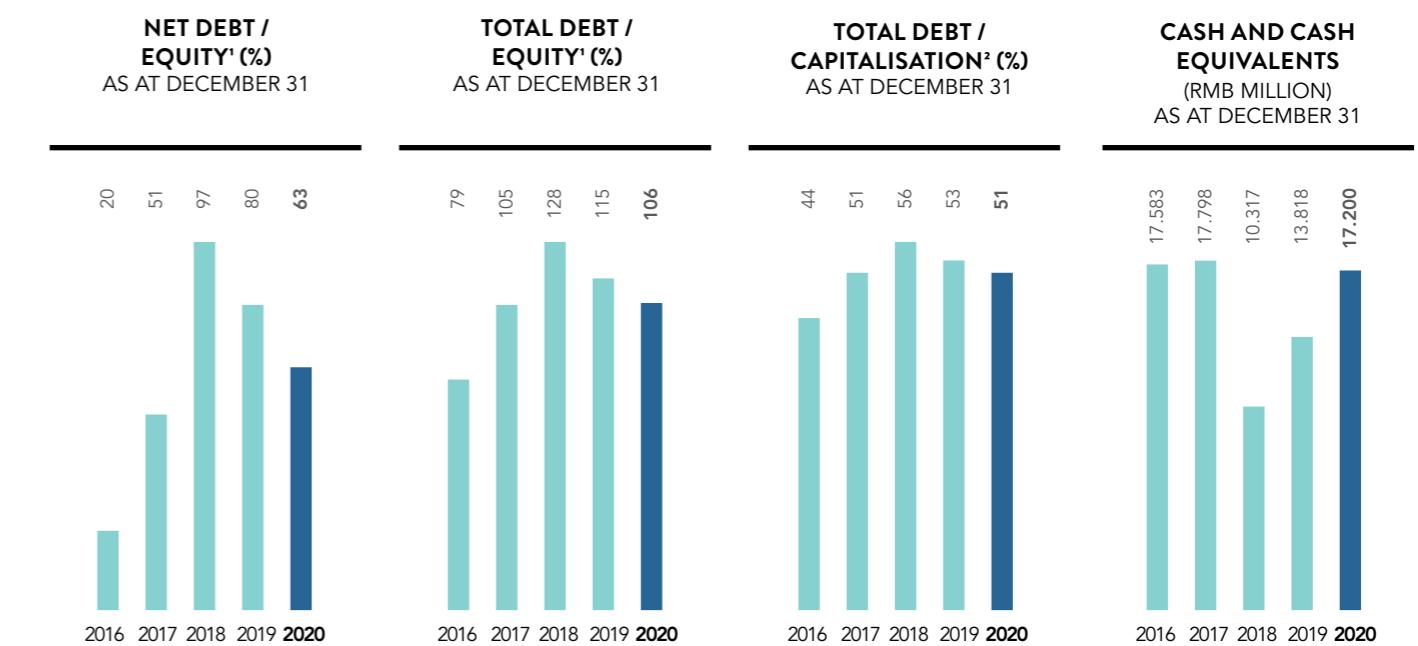
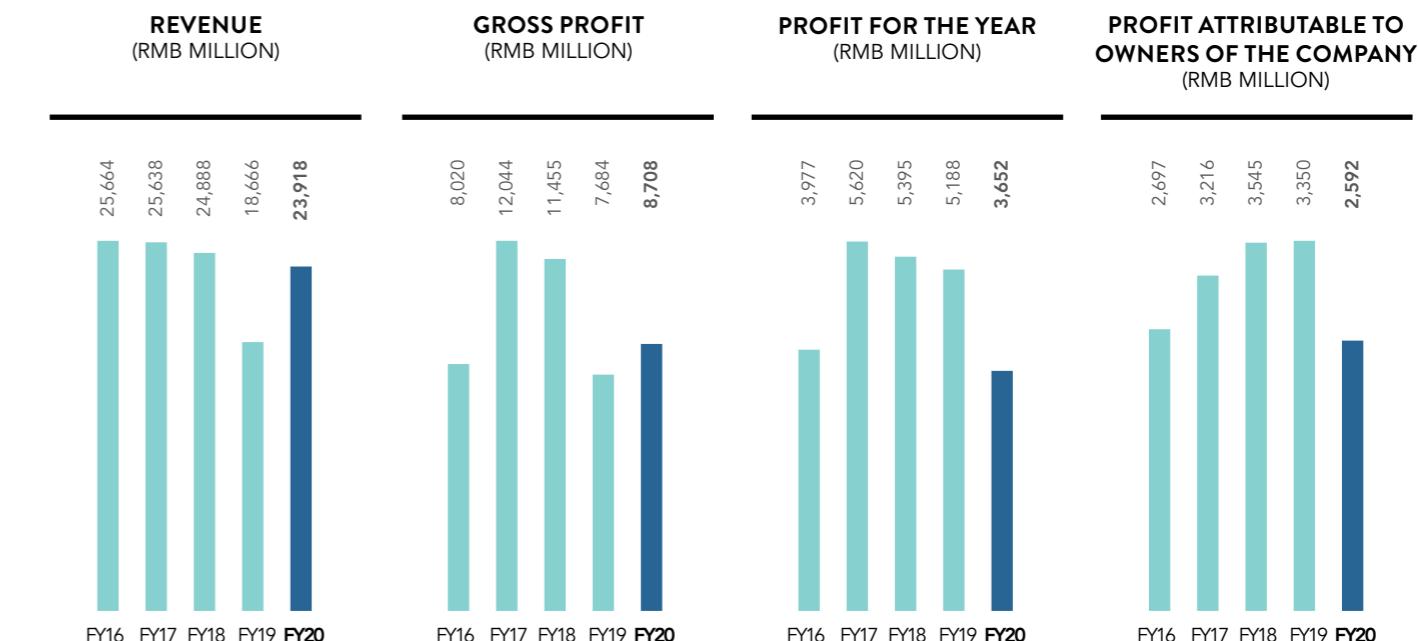
集团主席兼总裁

OPERATIONAL HIGHLIGHTS



- Chengdu
- Haikou
- Hangzhou
- Nanjing
- Shenzhen
- Suzhou
- Tianjin
- Zhuhai
- Others
- Haikou Yanlord Begonia Park (Phase 1)
- Hangzhou Bayfront Isle (Phase 1)
- Shenzhen Yanlord Four Seasons Gardens
- Shenzhen Yanlord Reverie Apartments
- Suzhou Canal Times
- Suzhou Riverbay Gardens
- Tianjin Yanlord Majestic Mansion
- Zhuhai Yanlord Marina Peninsula Gardens
- Others

FINANCIAL HIGHLIGHTS



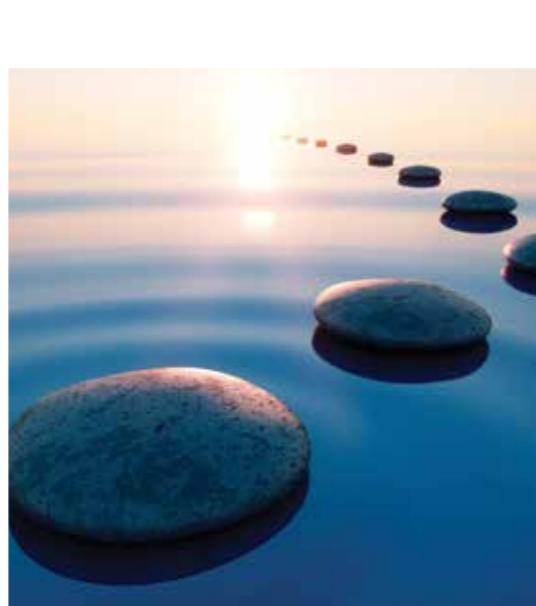
Notes:

1 Equity = Equity attributable to owners of the Company + Non-controlling interests

2 Capitalisation = Total debt + Equity attributable to owners of the Company + Non-controlling interests



Yanlord Central Lake • Taicang • China | 仁恒时代天镜•太仓•中国



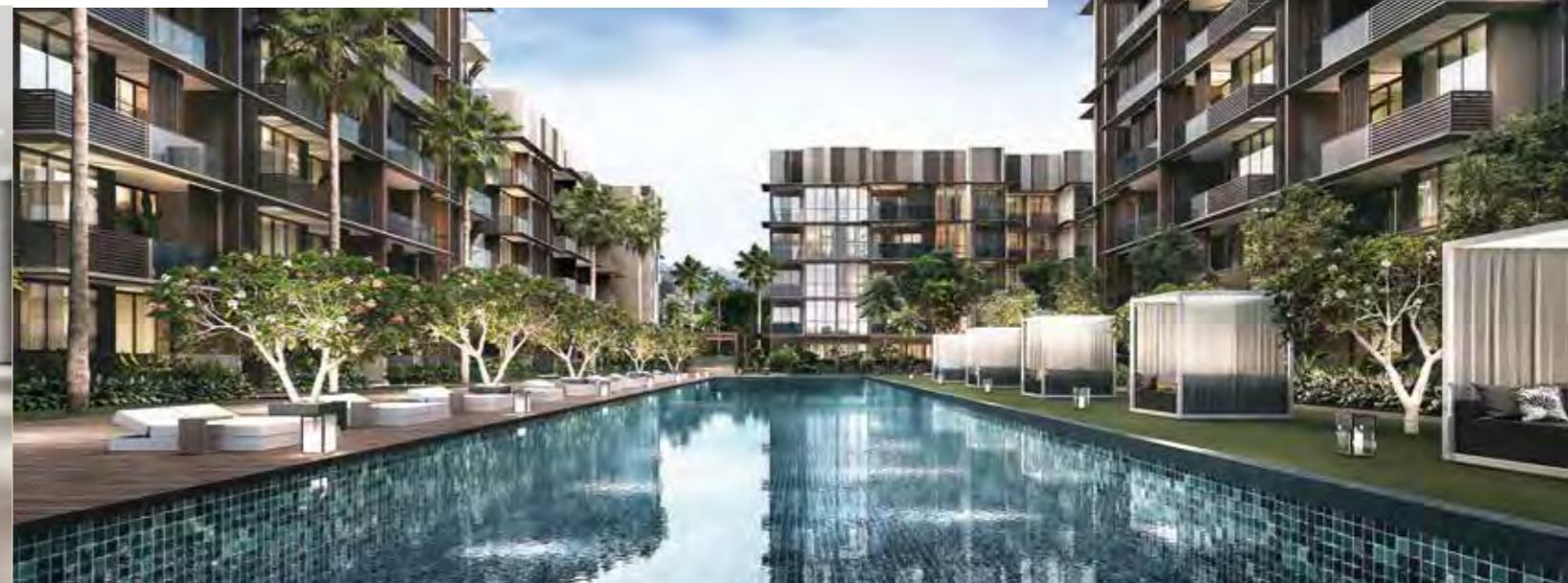
BRANCHING OUT

EXTENDING OUR PRESENCE IN THE PEOPLE'S
REPUBLIC OF CHINA AND SINGAPORE

The Group, together with its joint ventures and associates actively deployed capital adding a total GFA of approximately 2.32 million sqm to its landbank in Shanghai, Nanjing, Suzhou, Taicang, Yancheng, Jinan, Haikou, Wuhan, Zhuhai and Zhongshan, in the PRC in 2020.



Canal Times • Suzhou • China | 运河时代花园•苏州•中国



Dairy Farm Residences • Singapore | 岱莉轩•新加坡

OUR PROJECT SHOWCASE

The 5th REARD Global Design Award –
Gold Award in Residence 2020
第五届REARD全球地产设计大奖 –
2020年度居住类:金奖

The 3rd Landscape Ingenuity Award –
Gold Award in Garden Design 2020
第三届LIA园匠杯国际大赛 –
2020年度庭院设计奖:金奖

The 4th ELA International Landscape
Award – Gold Award in Best Small-Scale
Landscape 2020
第四届ELA国际景观大奖 –
2020年度最佳小型景观奖:金奖



QUALITY, INNOVATIVE AND HIGH-END FITTING

PROJECT OF THE YEAR 2020

Smriti Curtilage • Suzhou • China | 耦前别墅 • 苏州 • 中国



LANDSCAPE DESIGN AND FACILITIES FOR MODERN LIFESTYLE



MAJOR LAUNCHES OF PROPERTY CONTRACTED PRE-SALES IN 2020



Yanlord Four Seasons New Gardens • Shenzhen • China
仁恒四季新园 • 深圳 • 中国



Riverbay Century Gardens • Nanjing • China
江湾世纪花园 • 南京 • 中国



Jingan Century • Shanghai • China
璟安悦庭 • 上海 • 中国



Cloud Serenity Gardens • Nanjing • China
云逸都荟花园 • 南京 • 中国



Yanlord La Viva Riverbay • Suzhou • China
滨河四季云庭 • 苏州 • 中国



Hangzhou Bay • Hangzhou • China
前湾江上湾 • 杭州 • 中国



Yanlord Seacoast Royale • Suzhou • China
海河云庭 • 苏州 • 中国



Yanlord Gardens • Nantong • China
仁恒花园 • 南通 • 中国



The Corals • Hangzhou • China
珊瑚世纪雅园 • 杭州 • 中国



The Mansion In Park • Tianjin • China
仁恒公园世纪 • 天津 • 中国



Yanlord Begonia Park • Haikou • China
仁恒海棠公园 • 海口 • 中国



Yanlord Reverie Apartments • Shenzhen • China
仁恒梦公寓 • 深圳 • 中国



Yanlord on the Park • Wuhan • China
仁恒 • 公园世纪 • 武汉 • 中国



Yanlord Hub City • Nanjing • China
城市星徽名苑 • 南京 • 中国



Leedon Green • Singapore
绿墩雅苑 • 新加坡



Yanlord Riverside Gardens • Yancheng • China
仁恒河滨花园 • 盐城 • 中国



The Mansion in Park • Jinan • China
仁恒奥体公园世纪 • 济南 • 中国



Four Seasons Park • Zhongshan • China
星月彩虹花苑 • 中山 • 中国

NEW LAND ACQUISITIONS IN 2020

City	Project Name	GFA (sqm)	Attributable Interest As at 31 December 2020
Haikou	Yanlord Begonia Park (Phase 2) 仁恒海棠公园, 二期	83,000	51%
Jinan	The Mansion in Park 仁恒奥体公园世纪	140,000	35%
Nanjing	Nanjing No. 2018G19 Land 南京No. 2018G19 地块	78,000	51%
	Yanlord Hub City 城市星徽名苑	146,000	51%
	The River Time 江湾时代花园	45,000	50%
Shanghai	Shanghai Curtilage 海和院	123,000	30%
	Shanghai Jingan Jinyuan South Land Parcels 上海静安晋元南地块	73,000	30%
	Shanghai Olympic Garden (Phase 3 - Section 2) 上海奥林匹克花园, 三期二标	51,000	45%
	Shanghai Pudong Kangqiao Land 上海浦东康桥地块	87,000	51%
Suzhou	Lantern 澜庭	156,000	26%
Taicang	Yanlord Central Lake 仁恒時代天鏡	311,000	60%
Wuhan	Hankou Riverside International Business District Project 汉口滨江国际商务区项目	101,000	14%
Yancheng	Yanlord The Mansion in Park 星岸家园	250,000	51%
Zhongshan	Four Seasons Park 星月彩虹花苑	284,000	30%
Zhuhai	Zhuhai East Coast Liu Shi Shan Redevelopment Project 珠海东岸留诗山更新项目	390,000	100%
Total		2,318,000	



MAJOR PROJECTS WITH REVENUE RECOGNITION IN 2020



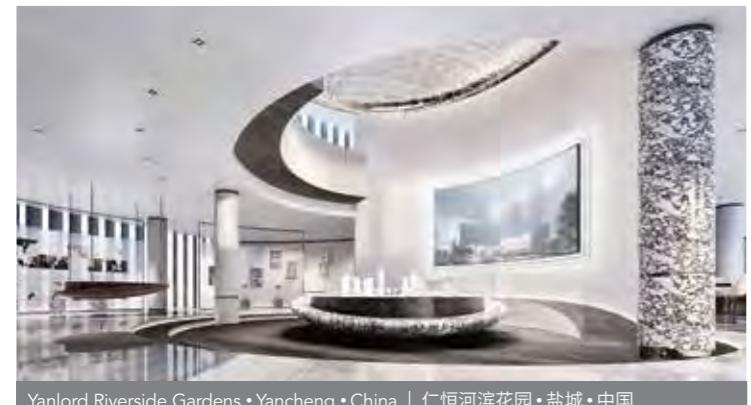
MAJOR NEW COMMENCEMENT OF CONSTRUCTIONS IN 2020



Yanlord Arcadia • Shanghai • China | 仁恒海上源 • 上海 • 中国



Yanlord Hub City • Nanjing • China | 城市星徽名苑 • 南京 • 中国



Yanlord Riverside Gardens • Yancheng • China | 仁恒河滨花园 • 盐城 • 中国



Lantern (Phase 1) • Suzhou • China
澜庭，一期 • 苏州 • 中国



The Mansion in Park • Jinan • China | 仁恒奥体公园世纪 • 济南 • 中国

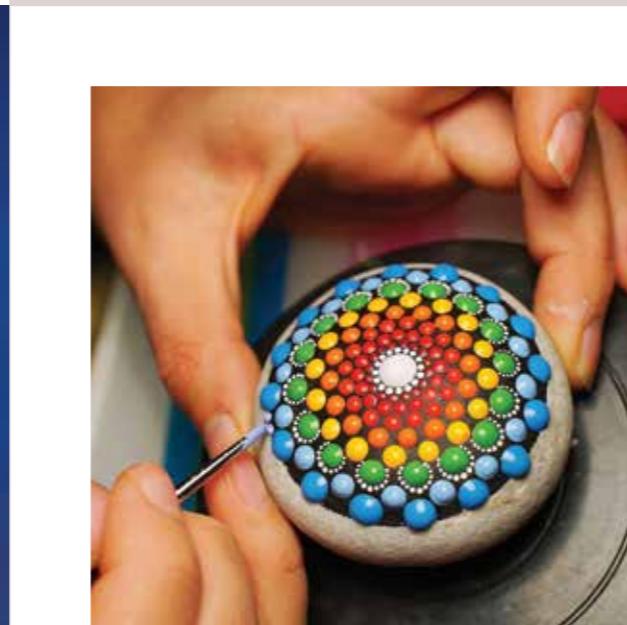


Nanjing No. 2018G19 Land • Nanjing • China | 南京 No. 2018G19 地块 • 南京 • 中国



Four Seasons Park (Phase 1) • Zhongshan • China
星月彩虹花苑，一期 • 中山 • 中国

The Group continued to steadily scale up its commercial integrated development operations. Yanlord Landmark in Nanjing entered operations following the steps of its pioneering integrated developments that include Yanlord Landmark in Chengdu, Yanlord Riverside Plaza in Tianjin, Yanlord Marina Centre in Zhuhai, with on-going projects Yanlord Reverie Plaza – retail area in Shenzhen, Canjie Commercial Plaza in Suzhou slated for completion progressively. The Group remains optimistic about the growth of its long-term recurring income.



CULTIVATING VALUE

GROWING INVESTMENT PROPERTY PORTFOLIO
IN THE PEOPLE'S REPUBLIC OF CHINA



INVESTMENT PROPERTY PORTFOLIO IN THE PEOPLE'S REPUBLIC OF CHINA



Yanlord Marina Centre • Zhuhai • China | 仁恒滨海中心 • 珠海 • 中国
Office & Retail
Total GFA: 42,974 sqm



Yanlord Landmark • Nanjing • China | 仁恒置地广场 • 南京 • 中国
Office & Retail
Office: 83,744 sqm Retail: 23,420 sqm



INVESTMENT AND COMMERCIAL PROPERTY PORTFOLIO UNDER DEVELOPMENT IN THE PEOPLE'S REPUBLIC OF CHINA



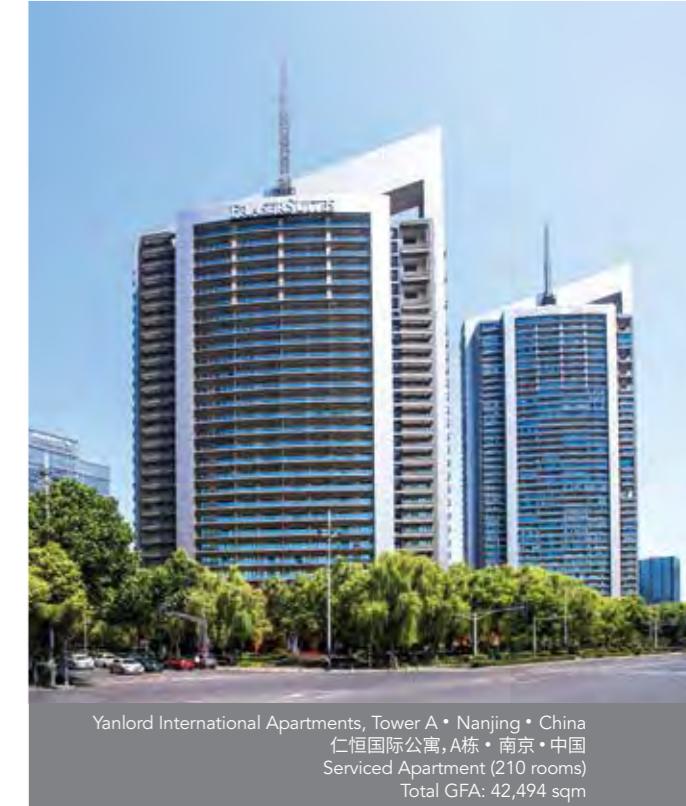
SERVICED APARTMENTS AND HOTELS IN THE PEOPLE'S REPUBLIC OF CHINA



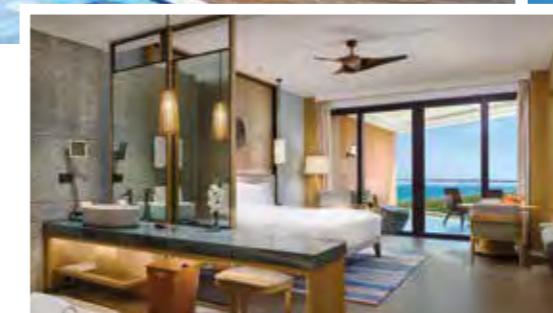
InterContinental • Zhuhai • China | 仁恒洲际酒店 • 珠海 • 中国
No. of rooms: 324
Total GFA: 58,559 sqm



InterContinental Residences • Chengdu • China | 仁恒洲际行政公寓 • 成都 • 中国
Serviced Apartment (360 rooms)
Total GFA: 50,902 sqm



Yanlord International Apartments, Tower A • Nanjing • China
仁恒国际公寓, A栋 • 南京 • 中国
Serviced Apartment (210 rooms)
Total GFA: 42,494 sqm



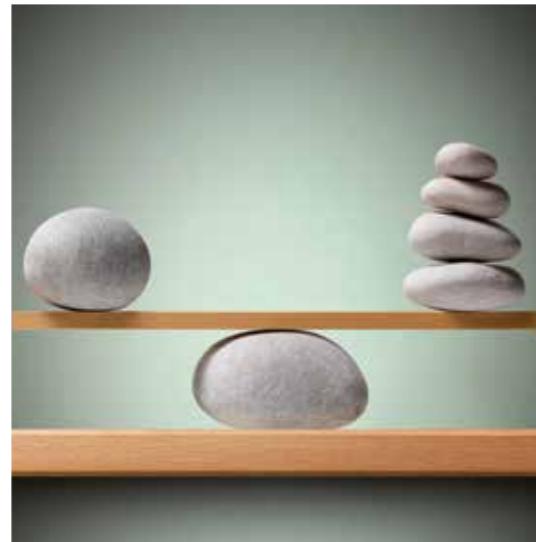
Crowne Plaza Sanya Haitang Bay Resort • Sanya • China | 海棠湾仁恒皇冠假日度假酒店 • 三亚 • 中国
No. of rooms: 404
Total GFA: 79,264 sqm



Leedon Green • Singapore | 绿墩雅苑•新加坡



Dairy Farm Residences • Singapore | 岱莉轩•新加坡



BUILDING A BALANCED PORTFOLIO

CREATING VALUE THROUGH
STRATEGIC ACQUISITIONS

COMMERCIAL PROPERTY PORTFOLIO IN SINGAPORE

The acquisition of UEL added a total GFA of approximately 270,000 sqm (equivalent to approximately 3 million square feet) of diversified and high-quality office, retail, hospitality, industrial properties portfolio and a residential project to the Group in Singapore.



UE BizHub TOWER (Freehold) • Singapore
Office
GFA: 26,866 sqm (289,185 sqf)



UE BizHub CITY (Also known as UE Square) • Singapore
Office and Retail
GFA: 55,992 sqm (602,698 sqf)



UE BizHub CENTRAL (as PPE) • Singapore
Industrial & Office
GFA: 36,076 sqm (388,315 sqf)



Rochester Mall • Singapore
Retail
GFA: 10,694 sqm (115,112 sqf)



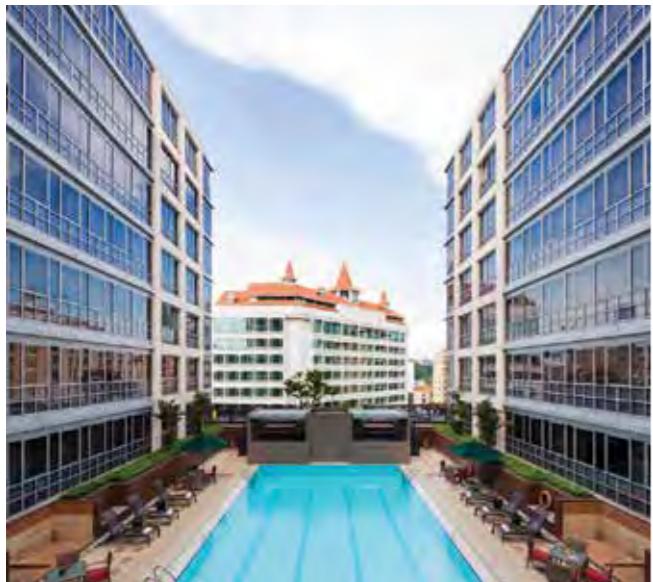
UE BizHub WEST (Freehold) • Singapore
Industrial & Office
GFA: 46,547 sqm (501,033 sqf)



WBL Building (as PPE) • Singapore
Industrial & Office
GFA: 14,050 sqm (151,236 sqf)



SERVICED APARTMENTS AND HOTEL IN SINGAPORE



Park Avenue Clemenceau • Singapore
Service Apartment: 150 rooms
GFA: 13,292 sqm (143,069 sqf)



Park Avenue Changi • Singapore
(Under hotel management agreement)



Park Avenue Rochester • Singapore
Service Apartment & Service Office: 351 rooms
GFA: 18,881 sqm (203,237 sqf)



Park Avenue Robertson • Singapore
Service Apartment: 36 rooms
GFA: 3,286 sqm (35,374 sqf)



OPERATION REVIEW

In the financial year ended 31 December 2020 ("FY 2020"), Yanlord Land Group Limited ("Yanlord" or "Company") and together with its subsidiaries (collectively, "Group") recorded a revenue of RMB23.918 billion, an increase of 28.1% over the financial year ended 31 December 2019 ("FY 2019"), of which, RMB20.960 billion was contributed from property development, an increase of 24.9%, RMB1.139 billion from property investment and hotel operations, an increase of 24.6%, RMB813 million from property management, an increase of 18.4% and the remaining RMB1.006 billion from others, an increase of 260.7%, compared to last year.

PROPERTY CONTRACTED PRE-SALES

The outbreak of the COVID-19 pandemic in early 2020, which resulted in a nationwide work-from-home period from January to February, had affected the real estate industry of the People's Republic of China ("PRC"). In response to the impacts brought by the pandemic, central and local governments of the PRC implemented a series of stimulus policies, bringing new opportunities and challenges to the real estate industry. Following a relatively sluggish first quarter, the property sales in the PRC started to pick up in March and April, building further momentum in May and June, and subsequently recovered to pre-pandemic levels in the second half of the year 2020 ("2H 2020"). For the full year,

because of the successful control and management of COVID-19 situation in the PRC, the Group's sales and payment collection have not been adversely affected.

In recent years, the PRC's real estate sector continues to experience stable growth from a pricing viewpoint, particularly in the Yangtze River Delta and Pearl River Delta regions, being regions experiencing rapid economic and population growth. As the pandemic subsided, the property market in these regions recovered swiftly. Having recognised the favourable market characteristics of the abovementioned regions, the Group has been acquiring landbank and expanding its developments strategically as well as continuing building quality developments, to achieve healthy sales momentum in these regions.

In FY 2020, the total property contracted pre-sales of the Group together with its joint ventures and associates, from residential and commercial units and car parks, reached RMB78.455 billion for a total gross floor area ("GFA") of approximately 2.14 million square metres ("sqm"), an increase of 40.8% and 14.0% respectively over FY 2019. Average selling price achieved in FY 2020 was RMB36,638 per sqm, representing an increase of 23.6% compared to FY 2019. Property contracted pre-sales in Yangtze River Delta and Greater Bay Area contributed 69.7% and 16.3% to the total property contracted pre-sales of the Group together with its joint ventures and associates in FY 2020.

The Group also continues to make good progress in its property development project management business in Shanghai, Nanjing, Chengdu and various other cities of the PRC. In FY 2020, the total contracted pre-sales of other property development projects under the Group's project management business bearing the "Yanlord" brand name was

YANLORD WAS AWARDED THE 2021 CHINA TOP 50 OF REAL ESTATE DEVELOPERS AND 2021 TOP 10 OF CHINA FOREIGN REAL ESTATE DEVELOPERS.

approximately RMB11.517 billion on contracted GFA of 212,229 sqm. Together with the contracted pre-sales of other property development projects under the Group's project management business bearing the "Yanlord" brand name, total property contracted pre-sales for FY 2020 reached RMB89.972 billion, with sales amounts generated from Nanjing, Suzhou, Shanghai and Shenzhen surpassed the RMB10 billion mark, coming in at RMB20.778 billion, RMB16.856 billion, RMB15.775 billion and RMB10.180 billion, respectively. The strong pre-sales performance in FY 2020 affirms the Group's comprehensive development and sales capabilities.

In March 2021, Yanlord was awarded the 2021 China TOP 50 of Real Estate Developers and 2021 TOP 10 of China Foreign Real Estate Developers Enterprise jointly presented by China Real Estate Association and Shanghai E-House Research Institute - China Real Estate Evaluation Center.

As at 31 December 2020, the Group together with its joint ventures and associates recorded an accumulated property contracted pre-sales of RMB106.452 billion with a total GFA of approximately 3.1 million sqm pending recognition in the first half of 2021 and beyond.

PROJECT DEVELOPMENT

In early 2020, in response to the COVID-19 pandemic and actively following government guidance, the Group adopted a series of effective pandemic response measures to resume business. The rigorous implementation of various measures including regular temperature screening, designated isolation bays, maintaining good ventilation, staggering of meal times, regular cleaning and disinfections, as well as strengthening workers' health protection education, swiftly brought the impact of the pandemic under control and enabled

a full resumption of development activities by April 2020. While the pandemic had initially resulted in an approximate 1.5 months delay to on-going projects, the Group was able to catch up on lost time by as early as end-August 2020 on over 90% of its projects. Initiatives such as increasing the number of working shifts and accelerating the pace of construction, enabled the timely completion, launch and delivery of the Group's projects in FY 2020 as scheduled.

In FY 2020, the Group together with its joint ventures and associates delivered residential and commercial units with a total GFA of 857,299 sqm and 4,922 units of car parks to the customers, an increase of 7.1% and 9.6% respectively compared to FY 2019. The total revenue from property sales recognised in FY 2020 amounted to RMB24.775 billion, of which, RMB20.842 billion was recognised as revenue of the Group and RMB3.933 billion was recognised as revenue of joint ventures and associates. The projects include, Yanlord Four Seasons Gardens and Yanlord Reverie Apartments in Shenzhen; Yanlord Marina Peninsula Gardens (Phase 3) and Yanlord Marina Centre in Zhuhai; Hangzhou Bayfront Isle (Phase 1) in Hangzhou; Yanlord Majestic Mansion in Tianjin; Yanlord Begonia Park (Phase 1) in Haikou; Riverbay Gardens Phase 1 and 2 and Canal Times in Suzhou; The Park Mansion in Nanjing and others, in the PRC.

In FY 2020, the Group together with its joint ventures and associates commenced construction works on approximately 1.74 million sqm GFA across 14 projects, including Yanlord Arcadia in Shanghai; The River Time and Yanlord Hub City in Nanjing; Yanlord Riverside Gardens in Yancheng; Lantern (Phase 1) in Suzhou; Yanlord Central Lake in Taicang; Yanlord Begonia Park (Phase 2) and Yanlord Gardens (Phase 1) in Haikou; The Mansion in Park in Jinan; and Four Seasons Park (Phase 1) in Zhongshan, in the PRC.

As of 31 December 2020, the Group together with its joint ventures and associates had a total GFA of approximately 6.29 million sqm, an increase of 14% compared to the year end of 2019 across a total of 62 projects under development, setting a new record of the Group's property under development.

In 2020, the Group continued to expand its third-party quality monitoring program to further strengthen quality and safety risks control, while promoting customers' satisfaction and maintaining its industry leading standards. The Group was conferred two national level awards for engineering excellence in 2020 namely, the "Zhan Tianyou Award" which was awarded to Yanlord Marina Centre in Zhuhai and the "National Award for Engineering Excellence" which was awarded to Crowne Plaza Sanya Haitang Bay Resort in Sanya. In terms of green building accreditations, Yanlord Seacoast Royale in Suzhou obtained a two-star certification from the China Green Building certification, while a further 14 projects currently under development have passed the relevant China Green Building design-review ratings. Of these, Jingan Century in Shanghai and The River Time in Nanjing have passed three-star design-review from China Green Building.

LANDBANK

In 2020, the land sales market in the PRC experienced a slow start to the year due to COVID-19 pandemic but ended the year on a strong note. Land sales activities progressively recovered from March 2020 as the effects of pandemic passed its peak, with the scale and value of land transactions gradually recovering in 2H 2020 to the pre-pandemic levels in 2019. Notwithstanding the central government's reaffirmation that houses are 'for living in, not for speculation' which had spurred the implementation of regulatory policies such as the "three red lines" guidance in 2H 2020, the recovery of the property market in the PRC in 2020 was overall better than expectation.

Backed by in-depth research and its understanding of the real estate development cycle of each city in the PRC, the Group together with its joint ventures and associates actively deployed capital to secure a number of high-quality land plots, adding a total GFA of approximately 2.32 million sqm to its landbank in 2020. This comprises a total GFA of approximately 1.65 million sqm acquired via public land auctions, collaboration and acquisitions in Shanghai, Nanjing, Suzhou, Taicang, Yancheng, Jinan, Haikou and Wuhan, and approximately 0.67 million sqm acquired through another total GFA of approximately two urban renewal projects in Zhuhai and Zhongshan, the PRC.

THE GROUP TOGETHER WITH ITS JOINT VENTURES AND ASSOCIATES ACTIVELY DEPLOYED CAPITAL TO SECURE A NUMBER OF HIGH-QUALITY LAND PLOTS, ADDING A TOTAL GFA OF APPROXIMATELY 2.32 MILLION SQM TO ITS LANDBANK IN 2020.

The Group continued to steadily replenish its landbank. As of the end of 2020, total landbank of the Group together with its joint ventures and associates was approximately 10.9 million sqm GFA, an increase of 17% year-on-year, with a strategic focus on replenishing in the major cities such as Shanghai, Nanjing, Suzhou and Jinan, in the PRC. Looking forward, the Group will continue to penetrate its investment into the Yangtze River Delta and continue to enhance its investment and development in the Greater Bay Area and the Bohai Rim urban agglomeration in a balanced manner, and selected high-growth cities in Hainan, Central China and Western China, to create a focused and balanced strategic investment in the PRC.

PRODUCT DEVELOPMENT

Upholding its corporate philosophy of "developing land with devotion, building quality accommodation with passion", quality remains integral to Yanlord's corporate DNA. In 2020, the Group continued to penetrate its presence in the Yangtze River Delta, bringing its hallmark high-end, high-quality 'Yanlord' branded developments to Taicang and Yancheng; expanding into the fast-growing third-tier cities; and continue to focus on niched high-quality upgrade demand market.

In 2020, the Group's Research and Development ("R&D") Center focused on three key dimensions, namely, product design platform, project management system as well as new product type development studies. Product design platform has been expanded in depth and in breadth. In 2020, the Group established project management centre for conducting in-depth studies on customer needs and preferences in each region and localise the design to deliver local experiences. Simultaneously, the construction module of "fully-fitted apartment", being one of Yanlord's core products was further integrated to facilitate accelerating development pace and launching new products to new cities.

The increasing project quantities and product types put forward new requirements to the management system of R&D. In 2020, the Group focused on strengthening the management of R&D information system and product standardisation, promoting the vertical integration of functional business lines through the Group's standardised design framework with local project team to complete localised design to shorten the development cycle.

While maintaining yet enhancing the quality of traditional residences, the Group is also actively exploring innovative products to make itself staying ahead of the customer demands and building its unique competitive strengths. In 2020, the "Yanlord Central Lake" built along the Tianjing Lake Industrial New City in the south of Taicang city was officially launched, attracting many local high-end customers. The Group also introduced a "one-stop mid to high-end senior citizen care community" residence project in Tianjin's Hexi District and launched the "vacation-home" residence projects in the suburbs of Shanghai and Nanjing, namely "Shanghai Curtilage" and "Yanlord Phoenix Hill" respectively, which received strong market response.

At the same time, the Group continued to steadily scale up its commercial integrated development operations. Nanjing Yanlord Landmark entered operations following the steps of its pioneering integrated developments that include Chengdu Yanlord Landmark, Tianjin Yanlord Riverside Plaza and Zhuhai Yanlord Marina Centre, with on-going projects including Shenzhen Reverie Plaza – retail portion and Suzhou Cangjie Commercial Plaza slated for completion progressively. For its hospitality business, the Group continued providing good quality services to its customers and will launch its 'Park Avenue' branded serviced apartment in Nanjing.

The Group, with a proven track record of over two decades, continued to strive towards innovation to strengthen its brand influence. Its Cangjie Commercial Plaza in Suzhou was conferred with the Silver Award at MIPIM Asia's Best Future Project, a widely recognised industry accolade. Following the success of its maiden "Park Century" project in Shanghai, the Group unveiled in 2020 a series of four new 'Century' branded projects, all of which received good market response and high recognition from customers.

The COVID-19 pandemic has resulted in people placing greater emphasis on environmental, health and safety, simultaneously bringing new R&D considerations to the Group. The Group will continue to increase its green building developments and provide customers with different green building environments according to the project specifications and positioning. Residential projects under the Group's project development are planned and designed with separation of driveway and pedestrian walkway, focusing on the logical and coherent movement of people, vehicles and goods at the entrance and the entire development with intensive management. The whole development emphasises on landscape and barrier free design across the buildings. More electrical induction doors are installed at the lobby area to reduce physical contact. Private elevator halls, reception rooms and functional space for changing clothes and washing hands before entering the house are also being introduced in the new projects. The Group keeps pace with the times, with a continual focus on product innovation to provide its customers with modern and comfortable living environment.

In line with our contributions and commitments towards sustainable development, energy savings is one of the aspects closely monitored by the Group. Subject to the weather and environmental conditions in different regions and in response to the "Sponge City" initiatives, the Group recycles rainwater for greenery irrigation to save water resources for on-going landscape management, adopts solar energy in place of fuel gas to supply hot water, and uses ground source heat pumps

to replace air conditioners to reduce emissions effectively in some of its projects. Energy saving and emission reduction in commercial and office projects have been enhanced simultaneously. Tianjin Riverside Plaza and Chengdu Yanlord Landmark have both obtained LEED - Platinum Certification in Management and Operation, demonstrating the Group's commitment to energy saving and carbon emission.

CUSTOMER SERVICE

As a time-tested and trusted brand, the Group places great emphasis on creating a personalised customer service experience. Along with the rapid development of its business, the Group has been upgrading its customer services to provide reliable, comfortable and caring service experience to customers.

In order for customers to receive better products and services, the Group's customer service team completed pre-launch risk control management inspections for its 15 projects in 9 cities of the PRC in 2020 by proactively checking potential issues in sales centers, model houses and project environment and others to effectively control risk. Over 120 "mystery shopping visits" have been conducted for its 25 projects in 11 cities in the PRC to constantly checking on omitted issues and gaps in the service process, thereby responding swiftly to improve the Group's services and enhancing customer satisfaction.

Launched in 2019, the CRM customer data platform has more than 57,000 customers registered in 2020 with the frequency of use by such customers exceeding 1.8 million times in 2020. The "400" customer service hotline which was launched in late 2019 received more than 1,800 times of customer calls and completed more than 61,000 telephone calls back, return visits and communications with customers in 2020. Through the CRM customer data platform and customer service hotline, the Group provides customers with a convenient communication channel to ensure that customer demands are timely attended and resolved expeditiously. In the first half of 2020 ("1H 2020"),

THE ACQUISITION ADDED A TOTAL GFA OF APPROXIMATELY 270,000 SQM (EQUIVALENT TO APPROXIMATELY 3 MILLION SQUARE FEET) OF DIVERSIFIED AND HIGH-QUALITY OFFICE, RETAIL, HOSPITALITY, INDUSTRIAL PROPERTIES PORTFOLIO AND A RESIDENTIAL PROJECT TO THE GROUP IN SINGAPORE.

when offline customer relationship maintenance could not be carried out because of safe distancing measures, online channels played a vital role as the key communication link between the Group and customers. In 2020, the customer service system has achieved initial success, and the Group's customer satisfaction scores have continued to rise steadily for the past three consecutive years. The Group will continue to upgrade and improve its total lifecycle services to the customers with passion and warmth.

PROPERTY INVESTMENT AND HOTEL OPERATIONS

In 2020, the total rental and hotel income generated from property investment and hotel operations of the Group rose 24.6% year-on-year to RMB1.139 billion, with the Singapore portfolio contributing over 40%. The increase was mainly attributable to the acquisition of United Engineers Limited ("UEL"), which were partially offset by the asset enhancement initiative at Tianjin Yanlord Riverside Plaza commercial and retail component, that had led to lower rental income contributions from the PRC market, together with the impact of COVID-19 pandemic on hotel income.

Yanlord announced the acquisition of UEL in the second half of 2019 with UEL becoming a subsidiary of the Group in late 2019. In February 2020, the Group successfully completed the acquisition of UEL, taking it private and integrating into the Group. The acquisition added a total GFA of approximately 270,000 sqm (equivalent to approximately 3 million square feet) of diversified and high-quality office, retail, hospitality, industrial properties portfolio and a residential project to the Group in Singapore.

The overall occupancy rate of commercial and office properties held by the Group in the PRC was at 88% throughout the year. In late 2020, Yanlord Landmark

in Nanjing held its soft opening with the occupancy rate of the shopping mall reaching 80%. Yanlord Reverie Plaza shopping mall in Shenzhen and Cangjie Commercial Plaza in Suzhou are planned for completion progressively. Commercial integrated investment property developments will remain as one of the important business, and it is the Group's plans to steadily increase self-owned high-quality commercial projects so as to enhance its brand influence, achieve synergy among commercial and residential development, further strengthen its competitiveness, and grow its recurring rental income. Under substantial international travel restrictions, domestic consumption in the PRC has rebounded in 2H 2020. The Group remains optimistic about the growth of its long-term recurring income.

The total income of the two hotels and two serviced apartments held by the Group in the PRC decreased in 1H 2020 year-on-year mainly due to outbreak of COVID-19. Benefiting from the PRC's success in bringing the pandemic under control, PRC's economic activities resumed rapidly in 2H 2020. Domestic business travel and tourism demand recovered strongly, which enabled the occupancy rate of the Group's hotels and serviced apartments to rebound significantly in the latter half of 2020. Hotels in Sanya and Zhuhai as well as the serviced apartment in Chengdu saw occupancy rates almost doubled in 2H 2020 compared to 1H 2020. Of the above, boosted by domestic holiday demand after the stabilised condition of COVID-19 in the PRC, the Crowne Plaza Sanya Haitang Bay Resort performance rebounded strongly in 2H 2020 with the total annual income in 2020 reaching RMB194 million, which was close to the annual income level of RMB209 million in 2019.

The shopping mall's tenants of Chengdu Yanlord Landbank has also done well amidst the pandemic.

After a very challenging 4 months in the beginning of year 2020, retail sales of the shopping mall's tenants have grown 11% year-on-year.

In Singapore, despite the prolonged impact from COVID-19 and lock-down measures imposed by the Singapore government, property investment & hotel operations recorded relatively stable operating profits in 2020, whilst most of the non-property business reported lower operating profits after taking in the government's support and some measures.

The Group's commercial and industrial property assets in Singapore achieved healthy committed occupancies with positive rental revisions. Leasing demand by the information and communication technology sector, and co-working space remained strong despite economic uncertainties. A few new multi-national corporation tenants were secured at UE BizHub WEST and UE BizHub CITY in 2020. The Group actively managed its portfolio of retail malls comprising UE Square Shopping Mall, Rochester Mall and The Seletar Mall and extended property tax rebates and rental assistance to support its tenants hard hit by the pandemic and movement restrictions. Hence, occupancies remained above 85% despite the challenges faced by the Singapore retail sector amidst the on-going COVID-19 situation. During the year, the Group continued to undertake asset improvement works at UE BizHub TOWER to further enhance recurring rental income.

International tourism was severely impacted by COVID-19 pandemic and tourist arrivals plunged sharply in Singapore in the initial months of the pandemic. By participating in Singapore government's quarantine programmes and actively managing operating costs, hospitality division in Singapore recorded reasonable income in its Park Avenue Rochester as investment property and Park Avenue Changi, whilst its Park Avenue Clemenceau and Park Avenue Robertson serviced apartment saw relatively stable occupancy rates and both continued to generate positive operating cashflow.

PROPERTY MANAGEMENT - PRC

In 2020, the Group's property management actively explored and embraced changes in accordance with the requirements of the Group's overall development goals. While strengthening basic services, it improved the organisational structure, optimised and integrated resources, created an enabling system and enhanced management efficiency.

In the year of COVID-19 pandemic, the Group's property management business units in different regions had proactively responded to the government's guidance with all staff participating in the joint prevention and control of the spreading of COVID-19. The Group's properties have been known as international communities, with a relatively large number of foreign residents. Under the severe situation of "prevention of domestic epidemic rebound, prevention of overseas import cases, and resumption of production and business", our property management team has implemented multiple prevention and control measures as well as implemented "closed-community management". A series of heart-felt services was introduced, including preparation of virus prevention materials, promotion and education of COVID-19 control guidance and instructions, comprehensive disinfection of the projects area, multi-channel self-examination and assessment, door-to-door delivery of daily necessities etc., to build the "last mile" of COVID-19 prevention barriers to protect the live and safety of the residents and customers.

The Group's property management business unit have been focusing on business development, diversified services, resources integration, cost reduction and efficiency enhancement to overcome the challenges in 2020 and delivered satisfactory results. As at 31 December 2020, the Group had 87 property projects under management and 55 contracted projects for future management covering residential, retail, office, commercial complex, industrial park and public facilities.

THE COVID-19 PANDEMIC HAS RESULTED IN PEOPLE PLACING GREATER EMPHASIS ON ENVIRONMENTAL, HEALTH AND SAFETY, SIMULTANEOUSLY BRINGING NEW R&D CONSIDERATIONS TO THE GROUP. THE GROUP WILL CONTINUE TO INCREASE ITS GREEN BUILDING DEVELOPMENTS AND PROVIDE CUSTOMERS WITH DIFFERENT GREEN BUILDING ENVIRONMENTS ACCORDING TO THE PROJECT SPECIFICATIONS AND POSITIONING.

As at 31 December 2020, the total contracted property management area was approximately 23.5 million sqm, of which, approximately 14.5 million sqm was under management, serving over 65,600 households. In 2020, average monthly property management fee was RMB4.67 per sqm. Total number of full-time employees for property management was more than 6,100.

The Group's property management team, which serves the high-end property management market, is known for its commitment to deliver high-quality services, especially during the pandemic. The powerful, orderly and effective control measures against COVID-19 implemented by the Group and its frontline employees have won the recognition of the property owners and the praise of the industry, and gained industry reputation and social influence. In 2020, the Group's property management team won 34 awards, including 3 national awards, 18 provincial awards and 13 municipal awards, such as:

- Chengdu Yanlord Property Management Co., Ltd. awarded "2020 China Gold Medal Property Management", "Chengdu National Building Economic Service Standardisation Pilot Demonstration Unit" and "National Property Management Demonstration Community";
- Yanlord Property Management (Shanghai) awarded "Shanghai Property Management Services – Five Star Enterprise", "Shanghai Top 100 Property Comprehensive Services Enterprise" and "Shanghai Property Management Public Satisfaction - Top 1" for three consecutive years; and
- Zhuhai Yanlord Property Management Co., Ltd. awarded "Leading Organization in Anti-pandemic" and "Poverty Alleviation and Caring Enterprise".

Because of the high quality of property management practice and refined control measures implemented during the pandemic period, Chengdu Yanlord Property Management Co., Ltd., was invited to work with the government to author the "Guidelines for the Prevention and Control of COVID-19 in Commercial Office Buildings", providing guidelines for the industry. In 2021, the Group's property management business will continue to focus on quality and stability of services, operational efficiency and increase in scale to integrate "preventive and cautious awareness, service awareness and creativity awareness" into our daily operations and continue to innovate, in order to achieve and realise the Group's medium and long-term strategic vision and development goals.

HUMAN RESOURCES

The Group views human resources as one of its most valuable strategic assets and key contributor to the Group's sustainable development. In line with the mission statement of "Managing with benevolence and integrity, achieving perpetuity through perseverance", the Group is devoted to developing land with devotion and treating its employees with trust and understanding, and respecting them as partners of the organisation. The Group offers opportunities for employees to develop their potential and to progress further in their career development and create good corporate culture to attract and retain talents for the Group's continuous development. In 2020, the Group's recruitment, training and talent development have been developed in an orderly manner. The Group continues to develop the "Professional and Management Learning Platform" by offering management level employees a continue development platform to upgrade their skillsets and capabilities, while grooming the talents to take on managerial roles within our growing organisation.

In 2020, the Group continued the talent development and succession training programmes as well as established a mechanism to discover and bring up potential project manager and operation manager as part of its on-going regional expansion. The Group have enhanced its appraisal system to further improve the performance assessment methodology and promote a result-oriented culture.

The Group continued to optimise the recruitment and performance appraisal programmes to achieve synergy within the organisation and enhanced the human resource management. It had also reformed the property management business unit and the commercial property business unit, established an independent goal setting within the business units, enhancing the evaluation mechanism and standardisation of organisational structure. With continued focus on strengthening the information systems, combined with launch of the new online systems, the Group's control efficiency has been greatly improved.

In 2020, the Group continued to strengthen senior management training and optimise staff training. The Group's human resources department organised technical and management training sections through training centre. The Group has established a team of internal trainers to integrate actual cases to enhance the sharing of knowledge and learning among the project management teams. At the same time, the "Yanlord Project Manager Development Scheme", an one-year systematic professional training programmes, was launched for on-going senior executive development. The Group also set up an online learning platform, where employees are encouraged to obtain corresponding technical training for grooming the talent pool for its project developments.

CORPORATE FINANCE

In 2020, the commercial mortgage-backed securities ("CMBS") of the Crowne Plaza Sanya Haitang Bay Resort had successfully issued RMB1.600 billion asset-backed securities to third parties at an expected annualised interest of 3.8% for an 18-year tenor, and to be renewed every 3 years. It represents one of the lowest interest rates for hotel CMBS by

private real estate enterprises in the PRC, and won the "CMBS Outstanding Impact Product Award" in "6th Asset Securitization · Jiefu Award". In terms of bank loans, the Group continued to expand its cooperation with domestic and foreign banks, obtained sufficient bank credit lines at a lower rate, and successfully draw down funds as planned for on-going business development. In terms of overseas financing, the Group completed a USD1.100 billion syndicated loan facility with the participation of 6 mandated lead arrangers and bookrunners and 18 arrangers and managers in August 2020. The funds raised was mainly used for refinancing and general working capital of the Group. Funding obtained have further enhanced the Group's presence in domestic and international capital markets, and also reflected the recognition of the Group by banks and investors.

INVESTOR RELATIONS, ENVIRONMENTAL, SOCIAL AND GOVERNANCE

The Group endeavours to maintain the highest standards of corporate governance and transparency through its proactive communication with the investment community to facilitate the understanding of the Group's business strategies and growth potentials. Semi-annual financial results as well as announcements and press releases pertaining to any relevant operational updates on the Group are also promptly released to the Singapore Exchange's website and Yanlord's website, ensuring that shareholders, investors and analysts receive timely and accurate information. Since April 2020, Yanlord announces updates on the Group's unaudited key operating figures on a monthly basis through Singapore Exchange's website as well as published on Yanlord's website.

In 2020, due to COVID-19 lock-down measures and travel ban, most of the international investor conferences converted online and conducted via telephone conferences. Yanlord also held its Annual General Meeting for FY 2019 via live audio-visual webcast. In 2020, the Group participated in various investment summits and online roadshows organised by various banks and the Singapore Exchange, and met online with investors and fund managers from

THE GROUP'S FOUR-TIER SUSTAINABILITY GOVERNANCE STRUCTURE THAT COMPRISSES OF THE BOARD, RISK MANAGEMENT AND SUSTAINABILITY COMMITTEE, ESG MANAGEMENT COMMITTEE AND ESG TASK FORCE, PROACTIVELY ASSESSING ESG RISKS, SETTING UP STRATEGIES, POLICIES AND SYSTEMS, IMPLEMENTATION PLANS AND KEY PERFORMANCE INDICATORS AS WELL AS REVIEWING, MONITORING AND MANAGING ESG RELATED MATERIAL TOPICS AND OBJECTIVES ON AN ON-GOING BASIS.

Singapore, the PRC, Hong Kong (SAR), Europe, the United States and other countries to introduce its operations, financial and investments highlights to maintain communication with investors.

The Group has been incorporating sustainability initiatives and goals in its strategies and operations, and believes that business success can be achieved through the integration of sustainability in its long-term strategies.

To aid in driving and executing its sustainability efforts across the Group, Yanlord has put in place a sustainability governance structure. While the board of directors of the Company ("Board") is ultimately responsible for the Company's sustainability reporting, the Risk Management and Sustainability Committee has been assisting the Board in ensuring that there is an appropriate focus on sustainability by management in the design, implementation and monitoring of the Group's risk management practices and procedures.

With effect from 26 February 2021, Yanlord renamed its Risk Management Committee to "Risk Management and Sustainability Committee" to

better reflect the current duties and functions of this Committee and reaffirmed the Group's commitment and efforts towards sustainability, the environmental, social and governance ("ESG") factors that are material and pertinent to the Group's business as well as the Company's approach to sustainability reporting in ensuring that there is an appropriate focus on sustainability by management. The Risk Management and Sustainability Committee, chaired by independent non-executive director ("INED"), comprises of 4 members, including the Chairman and CEO, and 3 INEDs.

The Risk Management and Sustainability Committee oversees the ESG Management Committee, made up of senior management personnel, which in turn is supported by ESG Task Force, comprising cross functional team. The Group's four-tier sustainability governance structure that comprises of the Board, Risk Management and Sustainability Committee, ESG Management Committee and ESG Task Force, proactively assessing ESG risks, setting up strategies, policies and systems, implementation plans and key performance indicators as well as reviewing, monitoring and managing ESG related material topics and objectives on an on-going basis.

业绩概要



截至2020年12月31日的财政年度（“2020财政年度”），仁恒置地集团有限公司（“仁恒”或“公司”）连同子公司（统称“集团”）全年营业收入达人民币239.18亿元，相比截至2019年12月31日的财政年度（“2019财政年度”）上升28.1%，其中，人民币209.60亿元为物业开发贡献，相比去年上升24.9%；物业投资及酒店运营为人民币11.39亿元，相比去年上升24.6%；物业管理为人民币8.13亿元，相比去年上升18.4%，其余来自其他业务的为人民币10.06亿元，相比去年上升260.7%。

物业合约预售

2020年初，新型冠状病毒大流行爆发，1至2月份全民居家办公期间，中国房地产受之影响较大。为了应对疫情影响，国家及各级政府出台了系列利好政策，房地产也迎来了新的机遇和挑战。继相对萎靡的第一季度之后，3至4月份中国房地产销售量走势小幅度提升，5至6月份市场快速回温，下半年房地产销售走出疫情影响。因中国疫情控制及管理相对较好，从全年来看，集团的销售和回款没有受到较大影响。

近几年，中国房地产从价格来看稳中有涨，受经济强劲发展及人口流入，长三角和珠三角地区上涨明显。集团遵循市场特性，战略取地销售，深耕长三角、珠三角，坚持品质营造，稳抓疫情后以上地区优先发力的趋势，销售态势良好。

仁恒荣获“2021中国房地产开发企业综合实力TOP50”及“2021中国房地产开发企业外资企业TOP10”。

2020财政年度全年，集团连同其共同控制实体及联营公司的住宅及商业物业以及车位的总物业合约预售金额达人民币784.55亿元，总建筑面积达约214万平方米，相比2019财政年度分别上升40.8%及14.0%。2020财政年度全年均价同比2019财政年度上升23.6%，达每平方米人民币36,638元。其中，长三角和大湾区的物业产销售分别占集团连同其共同控制实体及联营公司总物业合约预售金额的69.7%和16.3%。

此外，集团在上海、南京、成都等国内城市的物业发展代建业务取得良好进展。在由本集团项目管理并以“仁恒”品牌销售的物业发展项目的总物业合约预售金额为人民币115.17亿元，合同建筑面积为212,229平方米。连同以“仁恒”品牌代建项目的物业合约预售，全年总物业合约预售金额达人民币899.72亿元，其中在南京、苏州、上海及深圳预售超过人民币百亿元标杆，分别完成人民币207.78亿元、人民币168.56亿元、人民币157.75亿元及人民币101.80亿元，体现了集团的综合开发及销售能力。

2021年3月，仁恒荣获由中国房地产业协会及上海易居房地产研究院中国房地产测评中心评选的“2021中国房地产开发企业综合实力TOP50”及“2021中国房地产开发企业外资企业TOP10”。

截至2020年12月31日，集团连同其共同控制实体和联营公司已预售尚未入账的累计物业合约预售额达人民币1,064.52亿元，总建筑面积约310万平方米，预期于2021年上半年及往后陆续入账。

项目开发

2020年初，面对新型冠状病毒大流行带来的影响，集团积极响应政府指引，采取有效举措防疫复产。通过严格执行定时测温、隔离、通风、分餐、定期清洁消毒以及加强工人卫生防护教育等措施，将疫情影响掌握在可控范围，在2020年4月即实现项目100%复工。对比正常年份，评估因疫情造成的工程延期平均在1.5个月左右，超过九成项目已通过增加投入班组、加快施工穿插等措施在2020年8月底前赶回了工期损失，确保了当年开工、供货、交付如期实现。

在2020财政年度，集团连同其共同控制实体及联营公司向客户交付了总建筑面积合计857.299平方米的住宅及商业物业单位以及约4,922个车位，相比2019财政年度分别增长7.1%及9.6%。2020财政年度确认物业销售收入总额达人民币247.75亿元，其中，集团确认收入为人民币208.42亿元，共同控制实体及联营公司确认收入为人民币39.33亿元。主要包括位于中国深圳仁恒四季园及仁恒梦公寓、珠海仁恒滨海半岛花园三期及仁恒滨海中心、杭州前湾一期、天津仁恒海和院、海口仁恒海棠公园一期、苏州的江湾雅园一及二期及运河时代、南京公园世纪苑等。

2020财政年度集团连同其共同控制实体和联营公司有14个项目开工动工，开工总建筑面积约174万平方米，其中主要包括位于中国的上海仁恒海上源、南京江湾时代花园及城市星徽名苑、盐城仁恒河滨花园、苏州澜庭一期、太仓仁恒时代天境、海口仁恒海棠公园二期及仁恒滨江园一期、济南仁恒奥体公园世纪、以及中山星月彩虹花苑一期。

2020年开发总规模再攀高峰。集团连同其共同控制实体和联营公司在建项目达到62个，截至2020年12月31日，在建总建筑面积约629万平方米，相比2019年底增长14%。

2020年，集团继续加强第三方工程质量监察，进一步加强质量、安全风险管控、促进客户满意及维持行业领先水平。集团在2020年荣获两项国家级工程质量奖，分别为珠海仁恒滨海中心荣获“詹天佑奖”、三亚海棠湾仁恒皇冠假日度假酒店荣获国家优质工程奖。绿建方面，苏州海和云庭年内取得中国绿色建筑二级认证，另有14个在建项目申报中国国家绿建设计审核并获通过，其中2个项目通过三星级审核的，为上海璟安悦庭和南京江湾时代花园。

土地投资

2020年,由于受新型冠状病毒大流行影响,中国土地市场经历了先冷后热的走势。自3月份全国疫情基本结束后,土地市场逐步恢复,土地成交规模和金额在下半年逐步恢复到2019年水平。在中央坚持“房住不炒”的基调下,下半年相继出现“三道红线”等调控政策,但总体房地产市场基本恢复较预期好。

集团在对中国各城市房地产市场的发展周期深入研究的前提下,抢抓各城市拿地窗口期,积极布局,获取了一批优质项目。集团连同其共同控制实体和联营公司在2020年在中国共获取共计土地储备约232万平方米建筑面积,包括从在招拍挂市场,以及在股权合作及收购方面成功取得了位于上海、南京、苏州、太仓、盐城、济南、海口及武汉的合作项目,共计约165万平方米建筑面积的新项目。在2020年,集团也获取了位于珠海及中山的两个旧改项目,新增67万平方米建筑面积的土地储备。

集团延续了近几年稳健发展的拿地态势,截止到2020年底,集团连同其共同控制实体和联营公司土地储备建筑面积共计约1,090万平方米,按年上升17%。从城市布局来看,继续补仓上海、南京、苏州、济南等重点城市。未来,集团将继续深耕长三角,纵深江苏省,两翼均衡发展大湾区与渤海湾城市群,优选华中、华西、东北高增长级城市,形成“重点突出、均衡发展、纵横交错”的中国投资战略布局。

产品研发

仁恒始终秉持“善待土地,用心造好房”的理念,坚持品质为先、基因传承,于2020年持续深耕长三角区域,将仁恒品质输送至太仓及盐城,迈步进入优选的高增长三角城市,仁恒也将坚守初心,继续服务于当地的高端市场。

2020年,集团研发中心的研发工作主要在三个维度展开:产品平台、管理体系建设以及新业态拓展研究。产品平台向深度广度发展。2020年集团成立项目管理中心,分片区域纵深研究当地客群,强调在地化设计。同时将仁恒产品核心之一“成品房”模块进一步集成,为新项目及新进城市快速稳定更新迭代提供条件。

项目数量及类型的增长,对研发条线管理的体系化建设提出新的要求。集团在2020年重点加强研发信息化标准管理,通过集团打造框架、城市公司填充成果的方式,推动条线的垂直管控力度,以缩短开发周期。

在保持并提升传统住宅业态品质的同时,集团积极开拓新兴业态,使自身更具领先及差异化竞争的能力。2020年在太仓南部天镜湖产业新城打造的“时代天镜”问世,吸引了当地大量高端客户。集团也在天津河西区打造“一站式持续照料中高端养老社区”,并在上海和南京分别推出城市近郊第二居所上海“海和院”和南京“凤凰山居”,市场反响热烈。

同时,集团的商业综合发展项目数量也稳步增长。继第一代成都仁恒置地广场、天津仁恒海河广场及珠海仁恒滨海中心等的商业综合发展项目,南京仁恒置地广场相继开业。深圳仁恒梦创广场、苏州仓街商业广场等商业还将陆续完工。在服务式公寓领域,集团将在南京推出“柏薇酒店公寓”品牌,继续为客户提供优质服务。

集团历经二十余载,仍通过不断提升创新能力,继续扩大品牌影响力。苏州仓街商业项目荣膺业界公认的MIPIM Asia最佳未来项目银奖;集团于2020年全面发力展现产品及品牌影响力,在上海继经典项目“公园世纪”后,连续推出四座“世纪”系列产品,均获得不俗市场反响及客户高度认可。

受2020年新型冠状病毒大流行影响,人们对居住及生活场所的绿色健康安全提出了更高诉求,集团同样在研发端开始了新的思考。集团将继续增加绿色建筑的开发,根据项目业态和定位,为客户提供不同等级绿色建筑环境。集团自操盘住宅项目均规划为人车分流,注重小区出入口的人车物合理动线及集约管理,全区注重景观及楼栋间的无障碍设计,楼栋大堂多设置电动感应门,减少手与门的接触。在新项目推广私享电梯厅及玄关家政间,提供入户前更衣洗手的功能空间。集团将继续与时并进,继续产品优化创新,为客户提供现代化、舒适的居住环境。

集团一直关注节能减排,为可持续发展做出贡献。根据各个地区的环境气候等条件,响应“海绵城市”即回收雨水并加于利用于绿化浇灌节约水资源;部分项目利用太阳能补偿生活热水节约燃气或利用地源热泵代替空调,有效减少排放。商办类项目的节能减排同步提升。天津仁恒海河广场及成都仁恒置地广场均获得LEED铂金级运营认证,显示集团在经营管理阶段节约能源及炭排放的承诺。

此次收购主要为集团增加了位于新加坡总建筑面积约为27万平方米(折合约300万平方英尺)多元化高质量的商业、办公、酒店、工业物业组合以及一个住宅开发项目。

客户服务

多年来,集团深受客户信赖。客户给予仁恒认可的同时,集团也非常重视客户服务,并一直致力于打造有温度的服务。在集团快速发展的同时,其服务也在不断提升,提供客户更加放心、省心、贴心及舒心的服务体验。

为了客户能够得到更好的产品及服务,在2020年,集团的客户服务团队共计完成集团在中国9个城市内的15个项目的开盘前风险检查,通过梳理沙盘、户型、项目内外环境因素等范围的事宜,有效实现风险管控目的;对集团在中国11个城市内的25个项目完成超过120次神秘客服务监督检查,在服务过程中不断查漏补缺,完善我们的服务,提升客户感知。2019年集团搭建的CRM客户数据平台,2020全年客户绑定量已超过5.7万人,客户使用频次在2020年超过180万次;2019年底集团开通的“400”客户服务热线,2020年全年累计接听超过1,800通客户声音,与客户完成超过61,000次电话回访、沟通;通过CRM客户数据平台以及客户服务热线,集团为客户提供了便捷的沟通路径,确保客户诉求能够得到及时关注和解决,也大幅度提升了解决问题的效率,在2020年上半年新型冠状病毒大流行影响无法开展线下客户关系维护期间,线上渠道成为集团与客户间的沟通起到了至关重要的作用。2020年客户服务体系化的应用初见成效,集团客户满意度成绩连续三年持续稳步上升。步履不停,服务不止。集团将进一步梳理客户触点,升级改造我们的服务,为客户提供更有温度的全周期服务。

物业投资及酒店运营

2020财政年度来自集团的自持投资物业的租金和酒店运营的总收入为人民币11.39亿元,相比2019年增长24.6%,其中新加坡组合占超过40%。租金收入总体因收购联合工程有限公司而上升,但是受天津仁恒海河广场主力商场部分的大型翻新工程导致集团在中国国内的物业投资的租金收入减少,以及酒店收入受新型冠状病毒大流行影响等抵消了部分并购带来的增长。

仁恒在2019年下半年宣布收购联合工程有限公司,联合工程有限公司在2019年年底成为集团子公司,有关收购于2020年2月完成,并在私有化后整体并入集团。此次收购主要为集团增加了位于新加坡总建筑面积约为27万平方米(折合约300万平方英尺)多元化高质量的商业、办公、酒店、工业物业组合以及一个住宅开发项目。

集团在中国的商业物业,全年整体出租率保持在88%。2020年底,南京仁恒置地广场试营业,其中商业部分出租率达80%。天津仁恒海河广场主力商场部分进行大型翻新工程、深圳仁恒梦创广场的商业、苏州仓街商业广场等将陆续完工。商业综合体开发业务是集团的重要业务之一,集团将有计划地稳步增加优质自持商业项目,提升品牌影响力,做到商业与住宅开发的相互促进,持续强化企业竞争力及增加租金收入。在大幅度国际旅游限制下,中国本地消费在2020年下半年出现反弹,此集团对国内的长期经常性收入增长保持乐观。

在中国的酒店及服务式公寓方面,2020年上半年受疫情影响,集团酒店及服务式公寓的总收入同比减少;但是在下半年,受惠于疫情得到控制,中国经济活动快速恢复,国内商务和旅游需求强劲恢复,使集团酒店和服务式公寓的入住率在2020年下半年显著回升。集团在三亚、珠海的酒店及成都的服务式公寓在2020年下半年的入住率比上半年翻了近一倍;其中,三亚海棠湾仁恒皇冠假日度假酒店在疫情稳定后受到国内度假需求的刺激,下半年业绩强势反弹,在2020年全年总收入最终达人民币1.94亿元,接近2019年人民币2.09亿元的全年收入水平。

同样克服疫情影响的还有成都仁恒置地广场零售商场,在经历了年初4个月的困难时期后,商场租户的全年营业额取得了同比增长11%的佳绩。

在新加坡，尽管受新型冠状病毒大流行和应政府封关措施的延长影响，2020年物业租赁和酒店业务取得相对稳定的营业利润，而其他非地产业务，在政府的支助和合理成本措施下，大部份业务营业利润较低。商业和工业房地产资产的出租率维持健康水平并取得正向续约租金修订。尽管经济存在不确定性，但信息和通信技术行业以及共同工作空间的租赁需求仍然很强劲。2020年，集团在UE BizHub WEST和UE BizHub CITY取得多个跨国企业的新租户。集团积极管理其包括UE广场购物中心、罗切斯特购物中心和利达广场购物中心的零售商店组合，并提供了物业退税和租金援助，以支援受疫情和行动管制严重打击的租户。因此，尽管新型冠状病毒大流行持续，新加坡零售业面临挑战，但出租率仍保持在85%以上。2020年内，集团继续在UE BizHub TOWER进行资产改进工作，以进一步提高经常性租金收入。酒店及服务式公寓业务方面，新型冠状病毒大流行对国际旅游业造成了严重影响，在疫情大流行的初几个月里，新加坡的游客人数暴跌。通过参与新加坡政府的隔离检疫计划并积极管理运营成本，新加坡酒店事业部在柏薇罗切斯特酒店及柏薇樟宜酒店获得了合理的收入，而柏薇克里蒙梭及柏薇罗伯逊的服务式公寓获得相对稳定的入住率，所有项目都产生正经营现金流。

物业管理 - 中国

2020年集团物业管理根据集团整体发展目标要求，积极探索、拥抱变革，在加固基础服务的同时，完善组织架构、优化整合资源、打造赋能体系及提升管理效能。

2020年新型冠状病毒大流行肆虐，集团各地区物业管理公司疫情期间积极响应政府指引，全员投身疫情防控联控工作。集团的项目向来以国际化社区著称，外籍住户占比较多，在“内防疫情反弹、外防境外输入、企业复工复产”的严峻形势下，集团物业管理落实多举措防控，实行项目“封闭式管理”，从防疫物资准备、防控宣传引导、项目范围的全面消毒、多渠道自查安全隐患、日常生活物资配送上门等一系列暖心服务，为业主筑起“最后一公里”防疫壁垒、守护业主及客户生活的周全。

集团物业管理通过业务拓展、多元服务、资源整合、降本增效等有效措施逆势发展对抗2020年的挑战，在2020年交出了令人满意的成绩单。根据2020年末数据统计，集团物业管理目前共有在管项目87个、合同储备项目55个，类型覆盖住宅、商业、办公、商业综合体、园区管理、公共建筑等。物业管理签署合约面积达约2,350万平米，实际接管面积达约1,450万平米，服务超过65,600户家庭。2020年集团物业管理项目管理费均价人民币4.67元/平方米，全职物业从业人员逾6,100人。

集团物业管理团队深耕高端物业服务市场，始终以匠心铸就服务品质，尤其在疫情期间，从集团到一线各项防控举措的有力有序有效，赢得了业主的认可和业内的赞誉，收获了行业口碑与社会影响力。2020年在各地物业公司的共同努力下，集团物业管理共计获得市级以上奖项34项，其中国家级奖项3项，省部级奖项18项，市级奖项13项，其中包含：

- 成都仁恒物业管理有限公司获得 - “2020年度中国金牌物业”、“成都国家级楼宇经济服务标准化试点示范单位”及“全国物业管理示范小区”；
- 仁恒物业(上海)获得 - “上海物业服务五星级企业”、“上海市物业服务综合百强企业”及连续三年获得“上海市公众满意度测评第一名”；及
- 珠海仁恒物业管理有限公司获得 - “战疫工作先进集体”及“扶贫助攻爱心企业”。

成都仁恒物业管理有限公司在抗疫期间以其高标准的服务要求和精细化的应对措施，受邀与政府部门共同编制“商务写字楼新型冠状病毒肺炎疫情防控工作指引”，填补了行业空白。2021年集团物业管理将继续围绕品质稳定、经营提效、规模拓展三大核心主题，将“忧患意识、服务意识、创造力意识”融入日常工作中，不断开拓创新、积极推动集团物业管理未来中长期战略愿景及发展目标的实现。

人力资源

集团一贯将人才战略列为集团发展战略的重要组成部分。集团坚持并倡导“仁信治业，持之以恒”的企业精神，善待土地。善待员工。集团视员工为企业的合作伙伴，信任、理解并善待员工，通过良好的职业发展平台和优秀的企业文化吸引和保留人才。2020年集团的招聘、培训与人才发展有序发展，为各地方公司中高专业技术人员及管理人员搭建专业及管理学习平台，提高队伍素质与能力，同时储备高管人才。

2020年集团进一步完善梯队体系搭建，通过对项目总经理和运营总经理的梯队建设的机制，发现及培养具有潜力的管理者，确保核心城市的扩展总经理的补充。年内更新集团新的战略评价体系，进一步完善考核机制，牵引结果导向的绩效文化。

集团持续优化招聘体系、绩效体系，以达到组织和人力资源管理的有效协同。继续深化物业管理事业部及商业事业部改革，树立独立的目标设定，评价机制及组织规范化调整。重点继续加强信息化建设，结合新管理系统的上线，集团的管控效率得到极大的提升。

集团由董事会、风险管理委员会和可持续发展委员会、环境、社会和管治管理委员会和环境、社会和管治专责小组组成的四层级的可持续发展管治架构，积极评估环境、社会和管治风险，制定战略，政策和系统，实施计划和关键绩效指标以及持续检阅、监察和管理与环境、社会和管治相关的重大议题和目标。

了2019财政年度股东大会。在2020年，集团参与了由多个银行与新交所组织的投资峰会和线上路演，与新加坡、中国大陆、香港、欧洲、美国及各地的投资者和基金经理线上会面并介绍集团的营运、财务及投资亮点，保持与投资者的沟通交流。

集团一直将可持续发展计划和目标纳入其战略和运营中，并认为通过将可持续性纳入其长期战略中可以实现业务成功。

为了在整个集团范围内推动和执行其可持续发展工作，仁恒已建立其可持续发展管治架构。尽管仁恒董事会（“董事会”）最终负责公司的可持续发展报告，风险管理委员会一直在协助董事会确保在计划、实施和监察集团的风险管理的实践和程序时，可持续发展有得到适当的管理及关注。

自2021年2月26日起，仁恒将其风险管理委员会更名为“风险管理与可持续发展委员会”，以更好地反映该委员会当前的职责和职能，并重申集团在可持续发展和对集团业务重大且相关的环境、社会和管治方面的承诺和努力，包括公司可持续发展报告的方式，以确保管理层对可持续发展有适当的重视。风险管理与可持续发展委员会，由独立非执行董事担任主席，由4名成员组成，其中包括主席兼首席执行官以及3名独立非执行董事。

风险管理与可持续发展委员会负责监督由高级管理人员组成的环境、社会和管治管理委员会，而环境、社会和管治管理委员会则由跨职能团队成员组成的环境、社会和管治专责小组提供支持。集团由董事会、风险管理与可持续发展委员会、环境、社会和管治管理委员会和环境、社会和管治专责小组组成的四层级的可持续发展管治架构，积极评估环境、社会和管治风险，制定战略，政策和系统，实施计划和关键绩效指标以及持续检阅、监察和管理与环境、社会和管治相关的重大议题和目标。

DEVELOPMENT SCHEDULE SUMMARY

COMPLETED DEVELOPMENT PROPERTIES

Project	Description (units)	Interest Attributable (%)	Site Area (sqm)	GFA (sqm)	Type
Chengdu					
Hengye International Plaza ⁽¹⁾ 恒业国际广场 ⁽¹⁾	226	100	26,473	40,665	S
Hengye Star Gardens 恒业星园	814	100	23,036	83,943	R,S
Orchard Villa (Phase 1 to 5) 锦绣尚郡,一至五期	854	99	259,865	211,088	R,S
Yanlord Landmark ⁽¹⁾ 仁恒置地广场 ⁽¹⁾	425 (S, H) and 32-storey (O)	100	19,166	165,755	O,S,H
Yanlord Riverbay 仁恒滨河湾	2,283	70	119,043	391,803	R
Guiyang					
Xintian Centre 新天商业中心	123	67	18,820	14,376	S
Yanlord Villas 仁恒别墅	92	67	53,541	36,131	R
Haikou					
Yanlord Begonia Park (Phase 1) 仁恒海棠公园,一期	824	51	37,475	104,959	R
Hangzhou					
Hangzhou Bayfront Isle (Phase 1) 前湾,一期	664	30	39,778	79,713	R
Nanjing					
Bamboo Gardens 翠竹园	2,770	100	233,000	394,310	R
Oasis New Island Gardens 绿洲新岛花园	2,247	100	109,467	271,514	R
Orchid Mansions ⁽¹⁾ 玉兰山庄 ⁽¹⁾	259	100	94,134	69,649	R
Plum Mansions, including Lakeside Mansions 梅花山庄.湖畔之星	1,943	100	113,182	327,667	R
The Park Mansion ⁽²⁾ 公园世纪苑 ⁽²⁾	610	50	52,785	87,123	R
Yanlord G53 Apartments ⁽¹⁾ 仁恒G53公寓 ⁽¹⁾	921	100	46,640	96,354	R,S
Yanlord International Apartments, Tower A ⁽¹⁾ 仁恒国际公寓,A栋 ⁽¹⁾	210	100	3,337	42,494	H
Yanlord International Apartments, Tower B 仁恒国际公寓,B栋	254	100	25,078	67,683	R
Yanlord Landmark ⁽¹⁾⁽³⁾ 仁恒置地广场 ⁽¹⁾⁽³⁾	Commercial complex	100	45,067	134,603	O,S,H
Yanlord Phoenix Hill (Phase 1) 凤凰山居,一期	266	51	97,885	57,849	R
Yanlord Taoyuan Gardens ⁽⁴⁾ 桃园世纪华庭 ⁽⁴⁾	815	33	48,453	126,562	R,O,S
Yanlord Yangtze Riverbay Town ⁽¹⁾ 仁恒江湾城 ⁽¹⁾	3,927	100	303,379	720,847	R,S

Project	Description (units)	Interest Attributable (%)	Site Area (sqm)	GFA (sqm)	Type
Nantong					
Four Seasons Gardens 四季花园	1,084	60	62,151	136,555	R,S
Sanya					
Sanya Hai Tang Bay - Land Parcel 9 ⁽⁵⁾ 三亚海棠湾 - 9号地块 ⁽⁵⁾	593	100	193,772	102,659	R,H
Shanghai					
Bayside Gardens ⁽⁴⁾ 御澜湾苑 ⁽⁴⁾	764	50	117,399	116,408	R,S
Yanlord Apartments 仁恒公寓	95	67	4,146	13,579	R
Yanlord Eastern Gardens 仁恒东邑雅苑	1,194	100	128,532	180,583	R
Yanlord Gardens 仁恒滨江园	1,943	67	138,802	415,360	R
Yanlord on the Park 仁恒世纪公寓	717	50	55,776	148,122	R
Yanlord Plaza 仁恒广场	411 (R) and 4-storey (O)	67	10,845	53,047	R,O
Yanlord Riverside City ⁽¹⁾ 仁恒河滨城 ⁽¹⁾	4,216 (R) and 9-storey (S)	67	306,406	741,417	R,S
Yanlord Riverside Gardens 仁恒河滨花园	1,663	100	128,895	319,756	R
Yanlord Sunland Gardens ⁽¹⁾ 仁恒森兰雅苑 ⁽¹⁾	1,627	100	202,851	336,001	R,S,H
Yanlord Town 仁恒家园	428	50	94,174	75,573	R
Yanlord Townhouse 仁恒怡庭	269	100	54,208	65,572	R
Yanlord Western Gardens 仁恒西郊雅苑	1,470	60	136,937	247,503	R
Yunjie Riverside Gardens ⁽⁴⁾ 运杰河滨花园 ⁽⁴⁾	1,712	50	210,566	253,048	R,S
Shenyang					
Orchard Summer Palace 夏宫城市广场	765	99	15,030	165,990	O,S,H
Weiyong Technology Building ⁽¹⁾ 维用科技大厦 ⁽¹⁾	4-storey (O) and 2-storey (S)	79	9,692	9,107	O,S
Shenzhen					
Yanlord Four Seasons Gardens 仁恒四季园	1,063	95	28,959	125,930	R,S
Yanlord Reverie Apartments 仁恒梦公寓	2,859	100	36,952	119,588	S,H
Yanlord Rosemite ⁽¹⁾ 仁恒峦山美地花园 ⁽¹⁾	1,540	100	46,777	148,424	R,S

DEVELOPMENT SCHEDULE SUMMARY

COMPLETED DEVELOPMENT PROPERTIES (Cont'd)

Project	Description (units)	Interest Attributable (%)	Site Area (sqm)	GFA (sqm)	Type
Suzhou					
Canal Times 运河时代花园	301	100	24,938	52,184	R,S
New Tang's Mansion ⁽⁴⁾ 浅棠平江 ⁽⁴⁾	214	30	13,655	34,571	R
Riverbay Gardens (Phase 1) 江湾雅园,一期	1,094	30	68,268	156,468	R
Riverbay Gardens (Phase 2) 江湾雅园,二期	771	30	55,045	137,130	R,S
Suzhou Wuzhong Area C1 Land - Villas 苏州吴中区C1地块 - 别墅	22	100	57,857	22,614	R
Tang Yue Bay Gardens 棠悦湾花园	1,366	100	77,820	172,894	R
Yanlord Lakeview Bay ⁽¹⁾ 仁恒双湖湾 ⁽¹⁾	1,699	100	368,104	388,194	R,S
Yanlord Peninsula (Apartment) 星屿仁恒	704	100	78,310	100,206	R
Yanlord Peninsula (Townhouse) 星岛仁恒	350	100	168,000	91,963	R
Tangshan					
Tangshan Nanhu Eco-City - Land Parcel A8 ⁽⁴⁾ 唐山南湖生态城, A8地块 ⁽⁴⁾	1,220	50	64,656	169,551	R
Tangshan Nanhu Eco-City - Land Parcel A9 ⁽⁴⁾ 唐山南湖生态城, A9地块 ⁽⁴⁾	759	50	42,626	119,116	R,S
Tangshan Nanhu Eco-City - Land Parcel A19 ⁽⁴⁾ 唐山南湖生态城, A19地块 ⁽⁴⁾	116	50	46,199	38,611	R
Tianjin					
Tianjin Hong Qiao Land (Phase 1) ⁽⁴⁾ 红咸雅苑,一期 ⁽⁴⁾	1,500 (R) and retail shops	25	73,207	197,013	R,S
Tianjin Jinnan Land ⁽¹⁾ 景新花园 ⁽¹⁾	3,412	100	165,812	376,440	R,S
Yanlord Majestic Mansion 仁恒海和院	777	60	88,349	116,891	R,S
Yanlord Riverside Gardens 仁恒河滨花园	2,184	80	130,789	326,220	R
Yanlord Riverside Plaza (Phase 1) ⁽¹⁾ 仁恒海河广场,一期 ⁽¹⁾	971 (R) and 7-storey (S)	100	43,605	218,190	R,S
Yanlord Riverside Plaza (Phase 2) ⁽¹⁾ 仁恒海河广场,二期 ⁽¹⁾	544 (R), 29-storey (O) and retail shops	100	51,672	163,971	R,O,S

Project	Description (units)	Interest Attributable (%)	Site Area (sqm)	GFA (sqm)	Type
Zhuhai					
Yanlord Marina Centre - Section A ⁽¹⁾⁽⁵⁾ 仁恒滨海中心 - A标段 ⁽¹⁾⁽⁵⁾	136 (O), 4 (S) and 324 (H)	95	10,482	93,809	O,S,H
Yanlord Marina Centre - Section B ⁽¹⁾ 仁恒滨海中心 - B标段 ⁽¹⁾	409	95	31,722	133,299	R,S
Yanlord Marina Peninsula Gardens (Phase 1) ⁽¹⁾ 仁恒滨海半岛花园,一期 ⁽¹⁾	1,004	57	62,285	152,926	R,S
Yanlord Marina Peninsula Gardens (Phase 2) 仁恒滨海半岛花园,二期	1,043	57	62,674	161,606	R,S
Yanlord Marina Peninsula Gardens (Phase 3) 仁恒滨海半岛花园,三期	1,083	57	47,099	125,477	R
Yanlord New City Gardens ⁽¹⁾ 仁恒星园 ⁽¹⁾	2,697	90	229,931	412,930	R,S
Subtotal (PRC)				5,815,579	11,261,584
Malaysia - Kuala Lumpur					
The Manhattan ⁽⁶⁾		129	100	1,888	10,590
Singapore					
Park Avenue Robertson ⁽¹⁾ 公园大道(罗伯逊)服务公寓 ⁽¹⁾		36	100	1,174	3,286
Rochester Mall and Park Avenue Rochester ⁽¹⁾ 罗切斯特商场和公园大道(罗切斯特)酒店 ⁽¹⁾	351 (H) and 3-storey (S)	100	14,331	29,576	S,H
UE BizHub CENTRAL ⁽⁵⁾⁽⁶⁾	11-storey high-tech facilities and ancillary offices	100	23,975	36,076	O
UE BizHub CITY ⁽¹⁾ UE广场 ⁽¹⁾	150 (H), 18-storey (O) and 4-storey (S)	100	32,982	69,284	O,S,H
UE BizHub TOWER ⁽¹⁾⁽⁶⁾	23-storey	100	2,616	26,866	O,S
UE BizHub WEST ⁽¹⁾	12-storey and 8-storey	100	17,789	46,547	O
WBL Building ⁽⁵⁾⁽⁶⁾		99	5,511	14,050	O
Subtotal (Non-PRC)				100,266	236,275
Total				5,915,845	11,497,859

R = Residential O = Office S = Shop & Retail H = Hotel & Serviced Apartment N = Others (Including Tourism Attraction and Medical Centre)

(1) Consists of properties held for investment with unexpired terms of lease between 23-861 years as at 31 December 2020

(2) Formerly known as Nanjing No. 2017G01 Land (南京 No. 2017G01 地块)

(3) Formerly known as Nanjing Eco Hi-tech Island - Land Parcel G73 (南京生态科技岛 - G73地块)

(4) Being held under associate or joint venture

(5) Being held under property, plant and equipment

(6) Being no Chinese name available

DEVELOPMENT SCHEDULE SUMMARY

PROPERTIES UNDER DEVELOPMENT

Project	Description (units)	Interest Attributable (%)	Actual / Estimated Completion Date	Site Area (sqm)	GFA (sqm)	Percentage of Completion (%)	Type
Chengdu							
Orchard Villa (Phase 6) 锦绣尚郡, 六期	480	99	Dec-21	56,677	76,802	60	R
Stream In Cloud (Phase 1 and 2) 溪云居, 一、二期	893	80	Jun-21	111,322	71,985	44	R
Haikou							
Yanlord Begonia Park (Phase 2) 仁恒海棠公园, 二期	378 (R) office block and retail shops	51	3rd Quarter 2022	33,416	82,506	11	R,O,S
Yanlord Gardens (Phase 1) ⁽¹⁾ 仁恒滨江园, 一期 ⁽¹⁾	798 (R) and retail shops	70	3rd Quarter 2022	57,354	107,851	17	R,S
Hangzhou							
Hangzhou Bay ⁽¹⁾⁽²⁾ 前湾江上湾 ⁽¹⁾⁽²⁾	1,010	30	2nd Quarter 2022	55,354	133,006	29	R
Hangzhou Bayfront Isle (Phase 2) 前湾, 二期	400 (R) and commercial podium	30	Sep-21	23,606	61,432	68	R,S
IHG Keyi Hangzhou International Hospital ⁽¹⁾⁽³⁾ 英慈科谊医院 ⁽¹⁾⁽³⁾	Self-operating medical center	30	1st Quarter 2022	25,670	38,505	6	N
The Corals ⁽¹⁾ 珊瑚世纪雅园 ⁽¹⁾	916 (R) and retail shops	50	2nd Quarter 2022	77,273	123,518	34	R,S
Yanlord Riverside Gardens ⁽¹⁾ 仁滨公寓 ⁽¹⁾	346	50	Sep-21	31,776	75,715	60	R
Jinan							
The Mansion in Park ⁽¹⁾ 仁恒奥体公园世纪 ⁽¹⁾	876 (R) and retail shops	35	4th Quarter 2022	63,634	139,951	9	R
Yanlord Century Gardens ⁽¹⁾ 仁恒世纪花园 ⁽¹⁾	798	35	Aug-21	47,166	111,311	73	R,S
Yanlord Century Plaza ⁽¹⁾ 仁恒世纪广场 ⁽¹⁾	523	35	Apr-21	9,169	45,838	40	O,S,H
Nanjing							
Cloud Serenity Gardens ⁽¹⁾ 云逸都荟花园 ⁽¹⁾	3,163 (R) and retail shops	18	Aug-21	153,262	386,026	48	R,S
Nanjing No. 2018G19 Land 南京 No. 2018G19 地块	576	51	3rd Quarter 2022	55,372	77,513	13	R
Riverbay Century Gardens (Phase 1) ⁽¹⁾ 江湾世纪花园, 一期 ⁽¹⁾	776	51	Oct-21	72,481	148,866	44	R
Riverbay Century Gardens (Phase 2) ⁽¹⁾ 江湾世纪花园, 二期 ⁽¹⁾	617	51	1st Quarter 2022	102,818	134,703	22	R
The River Time ⁽¹⁾ 江湾时代花园 ⁽¹⁾	299	50	3rd Quarter 2022	25,010	44,965	16	R

Project	Description (units)	Interest Attributable (%)	Actual / Estimated Completion Date	Site Area (sqm)	GFA (sqm)	Percentage of Completion (%)	Type
Nanjing							
Yanlord Hub City 城市星徽名苑	1,244	51	4th Quarter 2022	61,329	145,814	18	R,S
Yanlord Phoenix Hill (Phase 1) 凤凰山居, 一期	63 (R) and retail shops	51	Dec-21	24,929	14,733	85	R
Yanlord Taoyuan Gardens ⁽¹⁾ 桃园世纪华庭 ⁽¹⁾	207	33	Jun-21	13,012	33,987	97	R,O,S
Nantong							
Yanlord Gardens (Phase 1) ⁽¹⁾ 仁恒花园, 一期 ⁽¹⁾	569	31	Jun-21	46,157	82,999	99	R
Yanlord Gardens (Phase 2) ⁽¹⁾ 仁恒花园, 二期 ⁽¹⁾	299	31	Sep-21	39,771	47,786	50	R
Yanlord Gardens (Phase 3) ⁽¹⁾ 仁恒花园, 三期 ⁽¹⁾	488	31	1st Quarter 2022	45,649	81,994	35	R
Shanghai							
Cloud Villa ⁽¹⁾⁽⁴⁾ 怡雅园 ⁽¹⁾⁽⁴⁾	730	15	4th Quarter 2022	108,388	86,826	36	R
Jingan Century ⁽¹⁾⁽⁵⁾ 璟安悦庭 ⁽¹⁾⁽⁵⁾	693	28	1st Quarter 2022	27,809	70,879	31	R,H
Shanghai Curtilage ⁽¹⁾ 海和院 ⁽¹⁾	1,175	30	2nd Quarter 2022	121,049	122,693	36	R
Shanghai Olympic Garden (Phase 3 - Section 2) ⁽¹⁾ 上海奥林匹克花园, 三期二标 ⁽¹⁾	490	45	2nd Quarter 2022	33,471	50,843	25	R
Yanlord Arcadia ⁽¹⁾⁽⁶⁾ 仁恒海上源 ⁽¹⁾⁽⁶⁾	1,171 (R) and retail shops	52	3rd Quarter 2023	69,400	183,215	5	R,S
Shenyang							
Yanlord on the Park ⁽⁷⁾ 仁恒公园世纪 ⁽⁷⁾	526	99	4th Quarter 2022	18,488	99,561	24	R
Shenzhen							
Yanlord Century Mansion 仁恒世纪大厦	364 (H) and retail shops	95	3rd Quarter 2022	5,744	57,500	34	O,S
Yanlord Four Seasons New Gardens 仁恒四季新园	93	95	3rd Quarter 2022	39,600	167,158	29	R,S
Yanlord Reverie Park ⁽¹⁾⁽⁸⁾ 仁恒芯梦公园 ⁽¹⁾⁽⁸⁾	Serviced apartment, office block and retail shops	49	Dec-21	43,969	210,983	24	O,S,H
Yanlord Reverie Plaza ⁽⁹⁾ 仁恒梦创广场 ⁽⁹⁾	Commercial complex	100	2nd Quarter 2022	29,790	209,440	19	O,S,H

DEVELOPMENT SCHEDULE SUMMARY

PROPERTIES UNDER DEVELOPMENT (Cont'd)

Project	Description (units)	Interest Attributable (%)	Actual / Estimated Completion Date	Site Area (sqm)	GFA (sqm)	Percentage of Completion (%)	Type
Suzhou							
Four Seasons Heming Gardens 四季和鸣雅园	1,349 (R) and retail shops	60	Nov-21	86,441	191,307	80	R,S
Lantern (Phase 1) ⁽¹⁾ 澜庭,一期 ⁽¹⁾	674	26	2nd Quarter 2023	104,545	130,199	1	R
New Tang's Mansion ⁽¹⁾ 浅棠平江 ⁽¹⁾	821	30	Jun-21	43,091	109,098	77	R
Riverside Gardens 河滨花园	698	85	Oct-21	44,671	88,369	72	R
Smriti Curtilage and Cangjie Commercial Plaza ⁽⁹⁾ 耦前別墅, 仓街商业广场 ⁽⁹⁾	93 (R) and retail mall	100	4th Quarter 2022	84,199	100,146	46	R,S
Yanlord Seacoast Royale ⁽¹⁾⁽¹⁰⁾ 海河云庭 ⁽¹⁾⁽¹⁰⁾	879	15	Nov-21	84,860	135,458	44	R
Yanlord La Viva Riverbay ⁽¹⁾⁽¹¹⁾ 滨河四季云庭 ⁽¹⁾⁽¹¹⁾	1,534	15	4th Quarter 2022	86,741	186,889	29	R
Taicang							
Yanlord Central Lake 仁恒時代天镜	1,452 (R) and commercial complex	60	4th Quarter 2023	174,312	311,381	11	R,O,H
Tangshan							
Tangshan Nanhу Eco-City - Land Parcel A14 and A15 ⁽¹⁾ 唐山南湖生态城, A14、A15 地块 ⁽¹⁾	233	50	2nd Quarter 2022	18,168	24,453	5	S,H
Tianjin							
The Mansion In Park (Phase 1) ⁽¹⁾ 仁恒公园世纪,一期 ⁽¹⁾	1,072 (R) and retail shops	50	Sep-21	72,321	155,061	36	R,S
Yanlord Majestic Mansion 仁恒海和院	1,026 (R) and retail shops	60	Apr-21	105,165	146,250	92	R,S
Yilu Gardens ⁽¹⁾ 依潞花园 ⁽¹⁾	2,330	25	Aug-21	129,904	253,167	40	R,S
Yiwan Gardens ⁽¹⁾ 依湾花园 ⁽¹⁾	1,450	17	Nov-21	98,264	167,275	40	R,S
Wuhan							
Hankou Riverside International Business District (Phase 2) ⁽¹⁾ 汉口滨江国际商务区,二期 ⁽¹⁾	Office block and retail shops	14	4th Quarter 2023	11,304	52,770	4	O
Yanlord on the Park 仁恒·公园世纪	895	55	Sep-21	35,296	151,851	84	R
Yancheng							
Yanlord Riverside Gardens (Phase 1 and 2) 仁恒河滨花园,一、二期	1,379	51	1st Quarter 2027	72,727	201,265	9	R

Project	Description (units)	Interest Attributable (%)	Actual / Estimated Completion Date	Site Area (sqm)	GFA (sqm)	Percentage of Completion (%)	Type
Zhongshan							
Four Seasons Park (Phase 1) ⁽¹⁾ 星月彩虹花苑,一期 ⁽¹⁾	1,512	30	1st Quarter 2023	47,298	165,504	70	R,S
Zhuhai							
Yanlord Marina Peninsula Gardens (Phase 3) 仁恒滨海半岛花园,三期	576	57	May-21	55,626	58,099	64	R
Yanlord North Shore Gardens 仁恒北岸苑	380	57	Jun-21	13,938	43,704	62	R
Subtotal (PRC)							3,098,786 6,199,150
Singapore							
Dairy Farm Residences 岱莉轩	460 (R) and shops	100	4th Quarter 2022	19,648	41,260	19	R,S
Leedon Green ⁽¹⁾ 绿墩雅苑 ⁽¹⁾	638	50	2nd Quarter 2023	30,357	49,011	12	R
Subtotal (Non-PRC)							50,005 90,271
Total							3,148,791 6,289,421

R = Residential O = Office S = Shop & Retail H = Hotel & Serviced Apartment N = Others (Including Tourism Attraction and Medical Centre)

(1) Being held under associate or joint venture

(2) Formerly known as Hangzhou Intelligent City Project - Medical Land Parcels (Phase 1) (杭州传化科技城项目 - 国际医疗园,一期)

(3) Formerly known as Hangzhou Intelligent City Project - Medical Land Parcels (Phase 2) (杭州传化科技城项目 - 国际医疗园,二期)

(4) Formerly known as Shanghai Chongming District Chen Jia Zhen No. 3 Land (上海崇明区陈家镇3号地块)

(5) Formerly known as Shanghai Jing'an District No.18-03 Land (上海静安区 No. 2018-03 地块)

(6) Formerly known as Shanghai Yangpu District 81 and 83 Redevelopment Project (上海杨浦区81、83街坊旧区改造项目)

(7) Formerly known as Orchard Summer Palace (夏宫城市广场)

(8) Formerly known as Shenzhen Baoan District Shajing Redevelopment Project (深圳宝安区 - 沙井城市更新项目)

(9) Consists of properties held for investment with unexpired terms of lease between 35-37 years as at 31 December 2020

(10) Formerly known as Suzhou Industrial Park No. 2018-04 Land (苏州土挂 No. 2018-04 地块)

(11) Formerly known as Suzhou No. 2019-WG-7 Land Parcels (苏州 No. 2019-WG-7 地块)

DEVELOPMENT SCHEDULE SUMMARY

PROPERTIES HELD FOR FUTURE DEVELOPMENT

Project	Description (units)	Interest Attributable (%)	Site Area (sqm)	GFA (sqm)	Type
Chengdu					
Stream In Cloud (Phase 3) 溪云居, 三期	Villas	80	38,745	30,864	R
Haikou					
Yanlord Gardens (Phase 2 and 3) ⁽¹⁾ 仁恒滨江园, 二期、三期 ⁽¹⁾	1,462 (R) and retail shops	70	130,182	228,910	R,S
Hangzhou					
Hangzhou Bayfront Isle (Phase 3) 前湾, 三期	206 (H) and retail shops	30	96,635	153,835	S,H
Hangzhou Intelligent City Project - Medical Land Parcels ⁽¹⁾ 杭州传化科技城项目 - 国际医疗园 ⁽¹⁾	1,379 (R), self-operating hotel and conference center	30	112,879	279,418	R,O,H
Nanjing					
Nanjing No. 2016G84 Land - Land Parcel B and G ⁽¹⁾ 南京 No. 2016G84 地块 - 地块B、G ⁽¹⁾	Commercial complex and tourism	51	251,141	283,006	O,S,H,N
Yanlord Phoenix Hill (Phase 2 to 4) 凤凰山居, 二至四期		825	51	372,397	186,693
Sanya					
Hainan Beautycrown Cultural Tourism Land Parcels ⁽¹⁾ 海南美丽之冠文化旅游区地块 ⁽¹⁾	Resorts and tourism	55	66,629	44,633	S,H,N
Shanghai					
Shanghai Jingan Jinyuan South Land Parcels ⁽¹⁾ 上海静安晋元南地块 ⁽¹⁾	Residential and commercial complex	30	28,288	73,057	R,O,S
Shanghai Pudong Kangqiao Land ⁽¹⁾ 上海浦东康桥地块 ⁽¹⁾		745	51	83,042	86,845
Shanghai San Jia Gang Land Plot 仁恒滨海度假村		157	67	67,978	35,180
Shenyang					
Orchard Manor 锦绣山庄	Villas	99	74,688	29,875	R
Shenzhen					
Shenzhen Longgang District Bantian Redevelopment Project 深圳龙岗区 - 坂田城市更新项目	Residential and commercial complex	100	52,768	235,717	R,O,S
Shenzhen Longgang District Economic Residential Housing 深圳龙岗区 - 经济适用房	Under planning	95	48,021	149,080	R
Shenzhen Longgang District Redevelopment Project (Phase 3) 深圳龙岗区 - 城中村改造项目, 三期		850	95	33,207	129,090

Project	Description (units)	Interest Attributable (%)	Site Area (sqm)	GFA (sqm)	Type
Shenzhen					
Shenzhen Longgang District Redevelopment Project (Phase 4) 深圳龙岗区 - 城中村改造项目, 四期		Residential	95	13,131	50,660
Tianjin					
The Mansion In Park (Phase 2) ⁽¹⁾ 仁恒公园世纪, 二期 ⁽¹⁾	Office block and retail shops	50	30,272	66,185	O,S
The Mansion In Park (Phase 3) ⁽¹⁾ 仁恒公园世纪, 三期 ⁽¹⁾	Self-operating hotel	50	32,699	53,858	H
Tianjin Hong Qiao Land (Phase 2) ⁽¹⁾ 红咸雅苑, 二期 ⁽¹⁾	Serviced apartment and retail shops	25	33,713	56,760	S,H
Wuhan					
Hankou Riverside International Business District (Phase 1) ⁽¹⁾ 汉口滨江国际商务区, 一期 ⁽¹⁾		246	14	10,880	48,500
Yancheng					
Yanlord Riverside Gardens (Phase 2) 仁恒河滨花园, 二期		373	51	33,620	55,059
Yanlord The Mansion in Park 星岸家园		1,552	51	104,599	249,645
Zhongshan					
Four Seasons Park (Phase 2) ⁽¹⁾ 星月彩虹花苑, 二期 ⁽¹⁾	1,000 (R) and retail shops	30	85,224	118,499	R,S
Zhuhai					
Zhuhai East Coast Liu Shi Shan Redevelopment Project 珠海东岸留诗山更新项目	Residential and commercial complex	100	135,092	389,546	R,O,S,H
Total				1,985,784	3,093,290

R = Residential O = Office S = Shop & Retail H = Hotel & Serviced Apartment N = Others (Including Tourism Attraction and Medical Centre)

(1) Being held under associate or joint venture

BOARD OF DIRECTORS –

Executive Directors



ZHONG SHENG JIAN



ZHONG MING



ZHONG IEK KA

ZHONG SHENG JIAN

Chairman and CEO
Member of Nominating Committee
Member of Risk Management and Sustainability Committee

Date When First Appointed:

February 13, 2006

Date of Last Re-election:

April 29, 2019

Country of Principal Residence:

Singapore

Relationship:

Father of Mr. Zhong Ming and Mr. Zhong Iek Ka, both Executive Directors, and uncle of Mr. Zhong Siliang, an Executive Director

Mr. Zhong Sheng Jian (63) is the founder of Yanlord Land Group Limited and is responsible for the overall management and strategy development of Yanlord Land Group Limited. Since the 1980s, Mr. Zhong has founded and established a number of businesses in trading, manufacturing and real estate spanning the People's Republic of China, Singapore and Hong Kong (SAR). He started property development business in the early 1990s through the setting up of offices in Shanghai and Nanjing, which are now part of the Singapore Exchange mainboard-listed Yanlord Land Group Limited.

In recognition of his contribution to various parts of China, Mr. Zhong has been awarded with Honorary Citizenships in Nanjing, Zhuhai, Shanwei and Suzhou in China. In 2005, he was also awarded with the Magnolia Silver Award in Shanghai for his contributions to the Municipal City of Shanghai. In 2010, Mr. Zhong was named and awarded the Singapore Businessman of the Year 2009. In 2015, Mr. Zhong was awarded with the Public Service Medal (Pingat Bakti Masyarakat), a Singapore National Day Award.

Mr. Zhong is a Council Member of several Singapore-China Investment and Trade Councils, including Singapore-Tianjin Economic & Trade Council, Singapore-Jiangsu Cooperation Council, Singapore-Guangdong Collaboration Council and Singapore-China Business Council. He is also the Honorary President of Teochew Poit Ip Huay Kuan, Vice Chairman of the Singapore Chinese Cultural Centre, Vice President of the Singapore Federation of Chinese Clan Associations, Director of the Singapore Chinese Chamber of Commerce & Industry, Director of Business China and a Member of the Singapore-Sichuan Trade & Investment Committee.

ZHONG SILIANG

Executive Director

Date When First Appointed:

May 11, 2006

Date of Last Re-election:

April 29, 2019

Country of Principal Residence:

Singapore

Relationship:

Nephew of Mr. Zhong Sheng Jian, the Chairman and CEO, and cousin of Mr. Zhong Ming and Mr. Zhong Iek Ka, both Executive Directors

Mr. Zhong Siliang (43) joined the Group in 2005 as an Assistant General Manager of Investments Department of the Group and in this capacity, he was responsible for evaluating new business developments and conducting feasibility studies on potential investments.

Mr. Zhong Siliang is currently responsible for establishing relations with architectural firms, real estate consultants and the district and national government officials, for the execution of the Group's investments in the People's Republic of China. He has been working closely with the Chairman and CEO, Mr. Zhong Sheng Jian, for over 15 years and assists in other group decisions. In addition, Mr. Zhong Siliang has been responsible for overall operations of the property development business in Shenzhen and overseeing the Group's business in Hainan. He is the Deputy Director for operations of the Group since 2007 and is also a Director of various companies of the Group in the People's Republic of China and Singapore.

Mr. Zhong Siliang holds a Master's Degree from the Washington University-Fudan University EMBA programme and a Bachelor's Degree in Business Administration from the University of Portsmouth, England.

ZHONG MING

Executive Director

Date When First Appointed:

October 1, 2016

Date of Last Re-election:

June 29, 2020

Country of Principal Residence:

Singapore

Relationship:

Son of Mr. Zhong Sheng Jian, the Chairman and CEO, brother of Mr. Zhong Iek Ka, an Executive Director, and cousin of Mr. Zhong Siliang, an Executive Director

Since 2013, Mr. Zhong Ming (34) has been holding various positions from property management to property development in various subsidiaries of Yanlord Land Group Limited. Mr. Zhong Ming is also an Independent Director of SIIC Environment Holdings Ltd., a company listed on the Hong Kong Stock Exchange and mainboard of the Singapore Exchange, and a Director of Ren Ci Hospital.

Mr. Zhong Ming is currently a Director of various companies of the Group in Shanghai, Tianjin, Suzhou, Jinan and Hangzhou, the People's Republic of China. In this capacity, he oversees the execution of the Group's strategies at the city level and the acquisition of prime sites mainly in Shanghai and Tianjin as well as driving forward the Group's development and expansion strategies in the People's Republic of China. Mr. Zhong Ming is also an Executive Director of United Engineers Limited and WBL Corporation Limited and a Director of several Singapore companies of the Group and leads the Group's property development, management and project operations in Singapore.

Mr. Zhong Ming graduated from the University of Melbourne with a Bachelor's Degree in Accounting and Finance.

ZHONG IEK KA

Executive Director

Date When First Appointed:

June 29, 2020

Date of Last Re-election:

Not applicable

Country of Principal Residence:

Singapore

Relationship:

Son of Mr. Zhong Sheng Jian, the Chairman and CEO, brother of Mr. Zhong Ming, an Executive Director, and cousin of Mr. Zhong Siliang, an Executive Director

Mr. Zhong Iek Ka (30) has joined the Group since 2018 and been involved in the day-to-day management of the Group's operations with primary focus on the Group's business operations in Suzhou, the People's Republic of China. Mr. Zhong Iek Ka is currently an Executive Director of United Engineers Limited and a Director of UE (Shanghai) Enterprise Management Co., Ltd., both companies of the Group.

Mr. Zhong Iek Ka graduated from the University of Nottingham with a Bachelor's Degree in Law (Honours) in 2014 and practiced in Messrs Dentons Rodyk & Davidson LLP in 2016 before joining the Group in 2018.

BOARD OF DIRECTORS –

Independent Non-Executive Directors



RONALD SEAH LIM SIANG



NG SHIN EIN



HEE THENG FONG



HONG PIAN TEE



TEO SER LUCK

RONALD SEAH LIM SIANG

Lead Independent Director
Chairman of Audit Committee
Member of Nominating Committee
Member of Remuneration Committee

Date When First Appointed:

May 11, 2006

Date of Last Re-election:

April 29, 2019

Country of Principal Residence:

Singapore

Relationship:

None

Over a 26-year period between 1980 and 2006, Mr. Ronald Seah Lim Siang (73) held various senior positions within the AIG Group in Singapore, initially as AIA Singapore's Vice-President and Chief Investment Officer managing the investment portfolio of AIA Singapore and later as Vice-President, Direct Investments of AIG Global Investment Corporation (Singapore) Ltd. Between 2001 and 2006, Mr. Seah was also Chairman of the Board of Directors of AIG Global Investment Corporation (Singapore) Ltd.

From 1978 to 1980, Mr. Seah managed the investment portfolio of Post Office Savings Bank as Deputy Head of the Investment and Credit Department. Prior to that, he worked at Singapore Nomura Merchant Bank as an Assistant Manager with responsibilities covering the sale of bonds and securities and offshore (ACU) loan administration for the bank. Between 2002 and 2003, Mr. Seah served on the panel of experts of the Commercial Affairs Department of Singapore. He served on the Investment Committee of the National Council of Social Service between 1996 and 2014.

Mr. Seah serves on the boards of other companies listed on the mainboard of the Singapore Exchange namely, as the Lead Independent Director of Global Investments Limited and the Chairman as well as an Independent Director of Telechoice International Limited. Mr. Seah is also an Independent Director on the boards of M&C REIT Management Limited (as manager of CDL Hospitality Real Estate Investment Trust) and M&C Business Trust Management Limited (as trustee-manager of CDL Hospitality

NG SHIN EIN

Independent Non-Executive Director
Chairperson of Risk Management and Sustainability Committee
Member of Audit Committee
Member of Remuneration Committee

Date When First Appointed:

May 11, 2006

Date of Last Re-election:

April 27, 2018

Country of Principal Residence:

Singapore

Relationship:

None

Ms. Ng Shin Ein (46) brings with her a blend of legal, finance and diplomatic experience.

She is the co-founder of Gryphus Capital, a pan-Asian private equity investment firm. She invests actively and leads a network of family offices and other private equity firms to provide strategic capital for companies. For these investments, she engages with portfolio companies, focusing on strategy and business development.

Prior to this, Ms. Ng spent a number of years at the Singapore Exchange, where she was responsible for developing Singapore's capital market and bringing foreign companies to list in Singapore. Additionally, she was part of the Singapore Exchange's IPO Approval Committee, where she contributed industry perspectives and also acted as a conduit between the marketplace and regulators.

Ms. Ng started as a corporate lawyer in Messrs Lee & Lee. Whilst at Messrs Lee & Lee, she advised clients on joint ventures, mergers and acquisitions and fundraising exercises.

Ms. Ng serves on the boards of Starhub Ltd., CSE Global Limited and Avarga Limited, companies listed on the mainboard of the Singapore Exchange and is also a Director of Grab Holdings Inc..

Apart from corporate boards, Ms. Ng serves on the Board of Governors of the Singapore International Foundation and is also Singapore's Non-Resident Ambassador to the Republic of Hungary.

Ms. Ng holds a Degree in Law (LLB Honours) from Queen Mary and Westfield College, University of London. She also holds a graduate Diploma in Singapore law from the National University of Singapore.

HEE THENG FONG

Independent Non-Executive Director
Chairman of Nominating Committee
Member of Audit Committee
Member of Risk Management and
Sustainability Committee

Date When First Appointed:

October 11, 2017

Date of Last Re-election:

June 29, 2020

Country of Principal Residence:

Singapore

Relationship:

None

Mr. Hee Theng Fong (66) is a Senior Lawyer in Singapore with over 30 years of experience. Mr. Hee is on the panel of many institutions including SIAC, CIETAC, HKIAC, SHIAC, BIAC/BAC, HIAC and AIAC. He is also a Mediator, Specialist Mediator (China) and Ambassador for Singapore International Mediation Centre. He has handled about two hundred cases in civil litigation and arbitration as Lead Counsel or Arbitrator in many countries and regions including Singapore, the People's Republic of China and Hong Kong (SAR). Many of the cases handled by him have been reported in Singapore Law Report.

Mr. Hee also serves as a Director of several companies listed on the mainboard of the Singapore Exchange namely, Straco Corporation Limited, Zheneng Jinjiang Environment Holding Company Limited and China Aviation Oil (Singapore) Corporation Ltd.. Mr. Hee is a Director of Haidilao International Holding Ltd. and Huazhu Group Limited, both listed on the Hong Kong Stock Exchange. Mr. Hee was also an Independent Director of Delong Holdings Limited, First Resources Limited, Datapulse Technology Limited, YHI International Limited, APAC Realty Limited and Tye Soon Limited. He has been regularly invited to speak on directors' duties and corporate governance.

HONG PIAN TEE

Independent Non-Executive Director
Chairman of Remuneration Committee
Member of Audit Committee
Member of Risk Management and
Sustainability Committee

Date When First Appointed:

September 1, 2018

Date of Last Re-election:

April 29, 2019

Country of Principal Residence:

Singapore

Relationship:

None

Mr. Hee also serves as a Director of Greenland (Singapore) Trust Management Pte Ltd, F & H Media & Internet Fund II Ltd and Chua Foundation. He is also the Deputy Chairman of Singapore Medishield Life Council. He is the Consultant of Harry Elias Partnership LLP and a Member of Advisory Committee for the China Ready Programme as well as ACRA's Complaints and Disciplinary Panel.

Mr. Hee graduated in 1979 from the Law Faculty of the then University of Singapore. He is also a holder of a Diploma in PRC Law.

Mr. Hong is currently the Chairman of Pei Hwa Foundation Limited and serves on the boards of other companies listed on the mainboard of the Singapore Exchange namely, as the Lead Independent Director of Hyflux Ltd, an Independent Director of XMH Holdings Ltd. and an Independent Director of Sinarmas Land Limited.

Mr. Hong was previously a Non-Executive Chairman and an Independent Director of AsiaPhos Limited, an Independent Director of Golden Agri-Resources Ltd and an Independent Director of Memstar Technology Ltd..

TEO SER LUCK

Independent Non-Executive Director
Member of Audit Committee
Member of Nominating Committee
Member of Remuneration Committee

Date When First Appointed:

February 26, 2020

Date of Last Re-election:

June 29, 2020

Country of Principal Residence:

Singapore

Relationship:

None

Mr. Teo Ser Luck (52) is an entrepreneur and investor. He is currently the Independent Non-Executive Chairman of BRC Asia Limited, Independent Non-Executive Deputy Chairman of Serial System Ltd, Lead Independent Director of China Aviation Oil (Singapore) Corporation Ltd and MindChamps PreSchool Limited, and an Independent Director of Straco Corporation Limited, companies listed on the mainboard of the Singapore Exchange. He is an Advisor to the Institute of Singapore Chartered Accountants (ISCA) and Singapore FinTech Association.

Mr. Teo was formerly the Minister of State for Ministry of Trade and Industry, Senior Parliamentary Secretary in the Ministry of Transport and Ministry of Community Development, Youth and Sports, Minister of State for Ministry of Manpower, Mayor of the North East District of Singapore, Chairman of Singapore-Shandong Bilateral Business Council and Vice Chairman of Singapore-Jiangsu Bilateral Business Council.

Mr. Teo holds a Degree in Accountancy from Nanyang Technological University (NTU). He spent 15 years in the private sector before being elected as a Member of the Parliament of Singapore and appointed as a full-time political office holder for 11 years. He returned to the private sector in July 2017 and remained as a Member of the Parliament till June 2020.

Throughout his private sector career, Mr. Teo has taken on management positions as Head of sales, marketing, business operations before progressing to lead and oversee companies as Regional Director, General Manager and Managing Director of multi-national operations in the Asia Pacific. He has worked in Hong Kong (SAR), the People's Republic of China, Thailand, India and has helped to start companies. He was also the Founding Investor of a listed multi-national software company. Prior to politics, he was overseeing DHL Express (Singapore) Pte Ltd.

Mr. Teo was recognised as a young global leader by the World Economic Forum for his contribution to the business and community services sectors. He also received the Outstanding Young Alumni Award and subsequently received the outstanding alumni award from his alma mater, NTU for continuing to make a difference in public service. While in the private sector, he has also received accolades as a global outstanding manager in business and operational excellence.

He was instrumental in leading Singapore's successful bid for the inaugural Youth Olympic Games (YOG) that was held in 2010. He was also the Advisor to the Singapore 2010 YOG Organising Committee and the Mayor for the Youth Olympic Village.

He is an avid sportsman and competes in endurance races. He is married with 2 children.

SENIOR MANAGEMENT

MR. ZHANG HAO NING

Executive Vice President

Mr. Zhang Hao Ning joined Yanlord in 1994, has been our Executive Vice President since May 2012 and is responsible for residential and commercial development and operation of the Group, including product development, construction and cost management, sales management, customer services as well as commercial and hospitality property developments and operations. Mr. Zhang is also responsible for overseeing the Group's environmental, social and governance matters and leads the ESG Management Committee. Prior to that, he was the General Manager of our Nanjing operations since 2005 and was responsible for the overall management of our business in Nanjing. He was our Assistant General Manager of our Nanjing operations between 2000 to 2005, and Manager of our Nanjing operations department from 1994 to 2000. Prior to joining Yanlord, he worked as a Cost Engineer in the Architecture Design Institute in Nanjing and Hong Kong Changjiang Pte. Ltd. in Nanjing between 1990 and 1994, and was responsible for management of engineering budgets and was also involved in the design work of the Architecture Design Institute. Mr. Zhang graduated from Southeast University in the PRC in 1990, major in Industrial and Civil Architecture and obtained a Master's Degree in Political Economics from the School of Business of Nanjing University in the PRC in 1995. He is also a registered Cost Engineer with the Jiangsu Department of Personnel since 1998.

MR. ZHOU YIQUN

Executive Vice President

Mr. Zhou Yiqun joined Yanlord in 2015, was promoted to our Executive Vice President since February 2021 and is responsible for strategic management, investment development as well as cultural and tourism business of the Group. He was a Vice President of the Group from 2018 to February 2021. Prior to that, Mr. Zhou was the General Manager of our Shanghai operations

from December 2015 to February 2021. He also served as our Group's Investment and Operation Director and the Executive Director of our Shanghai subsidiary. Prior to joining Yanlord, Mr. Zhou served in various managerial positions of Hong Kong based RK Properties. Mr. Zhou was the General Manager of RK Group's Shanghai subsidiary from 2009 to 2014 and the Executive Deputy General Manager of its Jinan company from 2007 to 2009. He was with Sunco Group from 2005 to 2007, working as the Assistant to General Manager in Wuxi and Senior Manager of the Sunco's Strategic Development Center. Mr. Zhou graduated from Suzhou University with a Master's Degree in Management. He also completed his EMBA program (2014 – 2015) at Cheung Kong Graduate School of Business.

MR. XIE XUEMING

Vice President

Mr. Xie Xueming has been our Vice President since July 2018 and is responsible for financial management of the Group. Prior to joining Yanlord, Mr. Xie was the Vice President and CFO of Yuyuan Tourist Mart Co., Ltd., a Fosun Group company from 2015 to 2018, and was responsible for financial management, investment and financing, capital management and operations control. Between 2014 to 2015, Mr. Xie was in charge of the corporate finance, operations, capital and tax management of Sincere Property Holding Group. Between 2012 to 2014, Mr. Xie served as Assistant to General Manager of Shanghai Industrial Urban Development Group Limited and was responsible for the corporate finance, investment and financing of its Hong Kong listed company. Between 2003 to 2012, Mr. Xie served as Senior Manager of corporate financial department of Yuexiu Group and was in charge of financial management, fund raising, capital management and operations. Mr. Xie graduated from Beijing Jiaotong University with a Bachelor's Degree in Financial Management in 2003. He earned his MBA Degree from Shanghai Jiaotong University in 2016.

MR. CHEN PING

Executive Vice President

Mr. Chen Ping joined Yanlord in 1994 and has been our Executive Vice President since January 2013 and is responsible for the Group's property management business. Prior to this, Mr. Chen was the General Manager of Shanghai Yanlord Property Management Co., Ltd. between 2004 and 2013. Between 1994 and 2004, Mr. Chen was a Sales Manager of Shanghai Yanlord Property Co., Ltd.. Before joining the Group, Mr. Chen was an Engineer of Shanghai Xin Hu Steel Factory. Mr. Chen graduated from Tongji University, Shanghai, major in Civil and Industrial Engineering.

MR. LU RUIFENG

Vice President

Mr. Lu Ruifeng has been our Vice President since May 2018 and is responsible for human resources, administration and information management of the Group. Prior to this, Mr. Lu served as the co-founder of Qianding Internet Technology Co., Ltd. between 2015 and 2018, where he was involved in the creation of a new business model based on community services. Between 2012 and 2014, Mr. Lu was the Deputy General Manager of human resources department of Longfor Group and was responsible for recruitment and talent development, including for Human Resources Business Partner program of Longfor Properties, hiring and training of talent, corporate culture building and setting up of local teams in a new city. Between 2009 and 2012, Mr. Lu was in charge of human resources of Longfor Beijing, Chengdu and Xi'an companies. Between 2005 and 2009, Mr. Lu was with Schneider (China) Investment Co., Ltd. and was responsible for the management of human resources of an acquisition project. Mr. Lu served in Xigu Optical Fiber Co., Ltd. between July 2000 and September 2005. Mr. Lu graduated from Xi'an University of Finance and Economics with a Bachelor's Degree in Business Administration in 2000. He earned his Master's Degree in Business Administration from the School of Economics and Management of Northwest University in 2007.

MR. CHAN CHI WAI, JIM

Group Financial Controller

Mr. Jim Chan has been our Group Financial Controller since 2003. He is responsible for our day-to-day finance, corporate finance and accounting functions of the Group. He has over 27 years of working experience in accounting, financial management and corporate finance. Prior to joining Yanlord, Mr. Chan was the Financial Controller of Komark Hong Kong Co., Ltd, a subsidiary of KomarkCorp Berhad, a multi-national company listed in Malaysia and the Senior Accountant at Cathay International Limited, a multi-national company with investments in the United Kingdom and the PRC from 1997 to 2003. He was a Senior Audit Accountant at PricewaterhouseCoopers from 1993 to 1997. Mr. Chan graduated with a Bachelor's Degree of Arts in Accountancy from the City University of Hong Kong in 1993. He is a Certified Public Accountant registered with the Hong Kong Institute of Certified Public Accountants and a fellow of the Association of Chartered Certified Accountants, Hong Kong.

MS. CHAN YIU LING

Assistant to CEO

Ms. Chan Yiu Ling joined Yanlord in 1999 and was previously Executive Director of Yanlord Land Group Limited between May 2006 and June 2020. Ms. Chan is a Director of Yanlord Land (HK) Co., Limited and various subsidiaries of the Group. Ms. Chan has been assisting our Chairman and CEO, Mr. Zhong Sheng Jian, for over 30 years and is responsible for various administrative functions of the Group. She was the Sales Manager of Yanlord Industrial Ltd., where she managed its sales and marketing department for close to 10 years. Ms. Chan has approximately 8 years of administration experience working as an Administration Executive in various companies before joining us. Ms. Chan graduated with a diploma from the Chinese YMCA Secretarial Course in 1982.

MS. SZE KA PING

Head of Investor Relations

Ms. Sze Ka Ping rejoined Yanlord in June 2020 and is responsible for investor relations, corporate finance and corporate communication matters of the Group. She was previously Head of Investor Relations and Assistant to CEO of Yanlord from 2006 to 2009. Prior to rejoining Yanlord, Ms. Sze was the Head of Investor Relations and General Manager of Shui On Land Limited from 2010 to May 2020. Ms. Sze was a Director of CBRE Limited in the valuation and advisory department covering Greater China region from 2004 to 2006 and has extensive experience in real estate consultancy in the region. Ms. Sze graduated from the Chinese University of Hong Kong with a Bachelor's Degree of Social Science in 1996 and obtained her Master's Degree of Business Administration from Kellogg-HKUST Executive MBA Program in 2009.

SENIOR MANAGEMENT IN 18 CITIES IN THE PRC AND SINGAPORE

MR. ZHOU CHENG

General Manager – Shanghai

Mr. Zhou Cheng joined Yanlord in April 2000 and has been the General Manager of our Shanghai operations and is responsible for the overall management of our business in Shanghai since February 2021. Prior to this, Mr. Zhou was the General Manager of our Suzhou operations and was responsible for the overall management of our business in Suzhou between April 2011 and January 2021. In Yanlord, Mr. Zhou has assumed numerous roles including Project Manager and Manager of the engineering department at our Nanjing subsidiary, the Deputy General Manager and Executive Deputy General Manager of our Suzhou subsidiary. Prior to joining Yanlord, Mr. Zhou was the Project Manager and Civil & HVAC Engineer at Pepsi Cola Nanjing between 1999 and April 2000 and was Project Manager at Nanjing Steel Group between 1989 and 1999. Mr. Zhou graduated from Xi'an University of Architecture and Technology in 1989 major in Industrial and Civil Engineering.

MR. GAO YONGJUN

General Manager – Nanjing

Mr. Gao Yongjun was appointed as the General Manager of our Nanjing operations in May 2012 and was the General Manager of our Sanya operations from March 2010 to January 2020. He is responsible for the overall management of our businesses in Nanjing. Mr. Gao joined Yanlord in March 1998 and worked as Project Manager, Director of engineering department and Assistant General Manager of our Nanjing subsidiary over the years, taking charge of project development and landscaping. Between December 2006 and March 2010, Mr. Gao was the Deputy General Manager of our Nanjing subsidiary. Mr. Gao graduated from Yangzhou University in 1993, major in Industrial and Civil Engineering.

MR. HUANG ZHONGXING

General Manager – Chengdu

Mr. Huang Zhongxing has been the General Manager of our Chengdu operations since 2005 and is responsible for the overall management of our operations in Chengdu. Since 2002, he served as the Assistant General Manager and later the General Manager of Yanlord Land (Chengdu) Co., Ltd.. He involved in daily operations of the Group's business in Chengdu. Mr. Huang has been with Yanlord since 1989. He was first involved in the international trading business of Yanlord Holdings until 1993. Subsequently, he was the Assistant General Manager of Yanlord Industrial (Shenzhen) Co., Ltd. and was responsible for setting up of industrial centres for 2 years. From 1994 to 2002, he was the Assistant General Manager at Yanlord Investment (Nanjing) Co., Ltd. and Acting General Manager of Yanlord Property Management Co., Ltd. and was involved in the marketing, project planning and property management functions of these companies.

MR. LAM CHING FUNG

Chairman of Zhuhai and Zhongshan operations

Mr. Lam Ching Fung joined Yanlord in 1995 and is the Chairman of our Zhuhai and Zhongshan operations. He oversees the overall operation of the Group's business in Zhuhai and Zhongshan.

Mr. Lam was the General Manager in Zhuhai from 2005 to 2019 responsible for the overall management of the business in Zhuhai. He was previously a Director of the Zhuhai Special Economic Zone Longshi Bottle Capping Factory and was also responsible for the overall management of the business. Mr. Lam completed an executive course in Advanced Business Management conducted by Qinghua University, Zhuhai.

MR. XIANG HUI

General Manager – Zhuhai and Zhongshan

Mr. Xiang Hui joined Yanlord in 2011 and has been appointed as the General Manager of our Zhuhai and Zhongshan operations responsible for the overall management of our business in Zhuhai and Zhongshan since February 2021. Mr. Xiang was the Deputy General Manager and General Manager of operations department in the Group from August 2017 to January 2021. Previously, Mr. Xiang served in various managerial positions including Cost Manager, Operation and Assistant General Manager at our Suzhou subsidiary from 2011 to January 2021. Prior to joining Yanlord, Mr. Xiang was with Wuxi Wanda Commercial Plaza Investment Co., Ltd., responsible for early-stage investment marketing, procurement and cost control from 2010 to 2011. Mr. Xiang was with Suzhou Xiecheng Engineering Cost Consulting Company from 2007 to 2009 and assumed the role of Project Manager at Lianyungang Water Construction Company from 2000 to 2005. Mr. Xiang graduated from Yangzhou University major in Construction Cost Management in 2000 and received a Master's Degree in Engineering from Suzhou University of Science and Technology in 2016. In September 2013, Mr. Xiang obtained the PMP qualification certification.

MR. RUAN XINKUN

General Manager – Suzhou, Nantong, Taicang and Yancheng

Mr. Ruan Xinkun joined Yanlord in April 2000 and has been the General Manager of our Suzhou operations since February 2021. He is responsible for the overall management of our businesses in Suzhou, Nantong, Taicang and Yancheng. Prior to this, Mr. Ruan was the Assistant General Manager, Deputy General Manager and Executive Deputy General Manager of our Suzhou operations from 2003 to 2014 and was responsible for cost management, finance, sales and business development. In 2014, Mr. Ruan was appointed as the General Manager of our Nantong operations and has been responsible for the overall management of our

businesses in Nantong. During this period, he led his team to expand in Taicang and Yancheng and was responsible for overall management of businesses in these 3 cities. Prior to joining Yanlord, Mr. Ruan served as a Department Manager of Chuxiong Renheng Fertilizer Co., Ltd. and Executive Director of Suzhou Renheng Qingling Motor Trading Co. Ltd. Mr. Ruan completed the business and administration program of Suzhou University in 2007.

MR. LIN JUN TING

General Manager – Tianjin, Tangshan and Jinan

Mr. Lin Jun Ting was appointed as the General Manager of our Tianjin and Tangshan operations in March 2017, and also appointed as the General Manager of our Jinan operations in 2017. Mr. Lin served as the Assistant General Manager of operations in Tianjin from June 2004 to June 2014. He is responsible for the overall planning and management of our business in Tianjin. Prior to joining Yanlord, he served as Director and General Manager of Hong Kong Art and Decoration Co. Ltd. between 2001 and 2003. Before that, Mr. Lin worked as Director and General Manager at a catering management company in Canada. Mr. Lin graduated in LaSalle College of Montreal Canada in 1993 and major in hotel management.

MR. WANG HONGWEI

General Manager – Shenzhen

Mr. Wang Hongwei has been the General Manager of our Shenzhen operations since July 2018 and is responsible for the overall management of our business in Shenzhen. Mr. Wang has over 20 years of experience in real estate development and is proficient in real estate operation, engineering, finance and the whole value chain of real estate development business. Prior to joining Yanlord, Mr. Wang served in well-known real estate companies such as Kaisa Group and Wanda Group and held senior executive positions in these companies. Mr. Wang graduated from Wuhan University with a Master's Degree in Business Administration in 1999.

MR. DENG WEIWEN

General Manager – Haikou and Sanya

Mr. Deng Weiwen joined Yanlord in November 2007 and has been the General Manager of our Haikou operations and is responsible for the overall management of our business in Haikou since 2017. He is also responsible for the overall management of our operations in Sanya since January 2021. Previously, Mr. Deng assumed the role of the Manager of the engineering department at our Shenzhen subsidiary and the role of Assistant General Manager at our Shenzhen subsidiary in 2008 and was responsible for construction, design, cost management and business development. Prior to joining Yanlord, Mr. Deng was with China Overseas Real Estate from 1999 to 2007, where he held Engineering Manager positions in its companies in HK\$AR and Nanjing. From 1992 to 1999, Mr. Deng served in China Construction No. 5 Engineering Bureau as the Deputy Chief Engineer of its subsidiary, responsible for project management and engineering technology. Mr. Deng graduated from Changsha University of Science and Technology in 1992, with a Bachelor's Degree in Civil and Industrial Construction. He is a qualified Engineer.

MR. ZHANG HUAJIE

General Manager – Hangzhou

Mr. Zhang Huajie joined Yanlord in 2014 and has been the General Manager of Hangzhou operations and is responsible for the overall management of our business in Hangzhou since October 2020. Prior to this, Mr. Zhang served as Procurement Manager at our Shanghai subsidiary and as Cost Manager at our Hangzhou subsidiary to participate in daily operations between 2017 and March 2020. Before that, Mr. Zhang worked in Red Star Macallan Real Estate Co., Ltd. as the General Manager Assistant in charge of procurement and purchasing for nearly 10 years and has rich experience in projects and management. Mr. Zhang Huajie graduated from Zhengzhou University major in Business Administration in 2005.

MR. LIU JICHAO

General Manager – Wuhan

Mr. Liu Jichao was appointed as General Manager of our Wuhan operations in March 2017 and is responsible for the overall management of our business in Wuhan. Mr. Liu joined Yanlord in March 2002 as a Project Manager in the Group's Nanjing subsidiary and has assumed numerous roles including the Manager of the engineering department in 2008 and Assistant to General Manager in 2010 before assuming the role as the Deputy General Manager of our Nanjing subsidiary in 2012, responsible for project development, cost management and business operations. Between 1995 and 2002, Mr. Liu served in various managerial positions of civil engineering projects at Nanjing Dadi Construction Group and Nanjing Overseas Construction Engineering Co., Ltd. Mr. Liu graduated from China University of Mining and Technology major in Civil Engineering in 1995.

MR. CAO JINWEI

General Manager – Shenyang

Mr. Cao Jinwei joined Yanlord in 2008 and has been the General Manager of our Shenyang operations since August 2020 and is responsible for the overall management of our business in Shenyang. Prior to this, Mr. Cao served as Project Lead Engineer at our Nanjing subsidiary from 2008 to 2012, as Project Manager of Yanlord Western Gardens and Yanlord Eastern Gardens in Shanghai from 2012 to 2017 and as Project General Manager at our Tangshan project from 2017 to 2020.

Before joining Yanlord, Mr. Cao was with Xuanwu Construction Company from 2005 to 2008 as a Project Manager and Project Leader in charge of project construction, project completion and communications with the government. From 2000 to 2005, Mr. Cao worked as Project Manager and Head of Construction Engineering in Hengfeng Real Estate and was responsible for the overall construction management of the project. Mr. Cao graduated from Chongqing University, major in Civil Engineering in 2000. He is also a Senior Engineer.

MR. TAN CHEE KEONG, ROY

Group Managing Director of United Engineers Limited

Mr. Roy Tan has been appointed as the Group Managing Director of United Engineers Limited and its group of companies ("UEL Group") since October 2017 and is responsible for the overall operational and financial management of UEL Group. Mr. Tan has more than 20 years of experience in finance, operations management, business development and strategic planning. Prior to being appointed as Group Managing Director of UEL Group, he was Group Chief Financial Officer responsible for finance and other corporate functions of the UEL Group, as well as the UEL Group's strategic planning, mergers and acquisitions, new business initiatives and divestitures. In addition, he oversaw the UEL Group's property division. He had been WBL Corporation Limited's Group Chief Strategy Officer before it was integrated with the UEL Group in 2013. Before joining the WBL Group in May 2006, he held various positions in OCBC Bank, ST Electronics and Phillip Capital. Mr. Tan holds a Bachelor's Degree of Arts (Honours) from University of Oxford, UK, as well as Master's Degree of Social Sciences (Applied Economics) and Master's Degree of Science (Management of Technology) from National University of Singapore. He is a FRM certified by Global Association of Risk Professionals and a CFA chartered holder.



FINANCIAL STATEMENTS

- 77** DIRECTORS' STATEMENT
- 81** INDEPENDENT AUDITOR'S REPORT
- 86** STATEMENTS OF FINANCIAL POSITION
- 88** CONSOLIDATED STATEMENT OF PROFIT OR LOSS
- 89** CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
- 90** STATEMENTS OF CHANGES IN EQUITY
- 93** CONSOLIDATED STATEMENT OF CASH FLOWS
- 96** NOTES TO FINANCIAL STATEMENTS

DIRECTORS' STATEMENT

The directors present their statement together with the audited consolidated financial statements of the Group and the statement of financial position and statement of changes in equity of the Company for the financial year ended December 31, 2020.

In the opinion of the directors, the consolidated financial statements of the Group and the statement of financial position and statement of changes in equity of the Company as set out on pages 86 to 185 are drawn up so as to give a true and fair view of the financial position of the Group and of the Company as at December 31, 2020, and of the financial performance, changes in equity and cash flows of the Group and changes in equity of the Company for the financial year then ended and at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debt when they fall due.

1 DIRECTORS

The directors of the Company in office at the date of this statement are:

Zhong Sheng Jian
Zhong Siliang
Zhong Ming
Zhong Iek Ka (Appointed on June 29, 2020)
Ronald Seah Lim Siang
Ng Shin Ein
Hee Theng Fong
Hong Pian Tee
Teo Ser Luck

2 ARRANGEMENTS TO ENABLE DIRECTORS TO ACQUIRE BENEFITS BY MEANS OF THE ACQUISITION OF SHARES AND DEBENTURES

Neither at the end of the financial year nor at any time in the financial year did there subsist any arrangement to which the Company is a party, being arrangements whose objects are, or one of whose objects is, to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

DIRECTORS' STATEMENT

3 DIRECTORS' INTERESTS IN SHARES AND DEBENTURES

The directors of the Company holding office at the end of the financial year had no interests in the shares in, or debentures of, the Company and related corporations as recorded in the register of directors' shareholdings kept by the Company under Section 164 of the Singapore Companies Act ("Act") except as follows:

Name of directors and companies in which interests are held	Holdings registered in the name of directors		Holdings in which directors are deemed to have an interest	
	At beginning of financial year	At end of financial year	At beginning of financial year	At end of financial year
The Company				
Ordinary shares				
Zhong Sheng Jian ⁽¹⁾	79,820,800	82,506,500	1,278,390,000	1,278,390,000
Zhong Siliang ⁽²⁾	320,000	320,000	30,095,000	30,095,000
Ronald Seah Lim Siang	20,000	20,000	–	–
Ng Shin Ein	118,000	118,000	–	–
Hong Pian Tee ⁽³⁾	219,700	614,500	100,000	224,000

Notes:

- ⁽¹⁾ Zhong Sheng Jian is deemed to have an interest in 1,278,390,000 (2019 : 1,278,390,000) ordinary shares of the Company held by Yanlord Holdings Pte. Ltd. ("YHPL"). YHPL is a company which is owned by Zhong Sheng Jian (95% shareholding interest) and his spouse (5% shareholding interest).
- ⁽²⁾ Zhong Siliang is deemed to have an interest in 30,095,000 (2019 : 30,095,000) ordinary shares of the Company held by Investor Growth Co., Limited, a company which is wholly-owned by Zhong Siliang.
- ⁽³⁾ Hong Pian Tee is deemed to have an interest in 224,000 (2019 : 100,000) ordinary shares of the Company held by his spouse.

DIRECTORS' STATEMENT

3 DIRECTORS' INTERESTS IN SHARES AND DEBENTURES (Cont'd)

The directors' beneficial interest in other related corporations' shares and debentures were as follows:

Name of directors and companies in which interests are held	Holdings registered in the name of directors		Holdings in which directors are deemed to have an interest	
	At beginning of financial year	At end of financial year	At beginning of financial year	At end of financial year

Immediate and ultimate holding company

Yanlord Holdings Pte. Ltd.
(Ordinary shares)

Zhong Sheng Jian ⁽¹⁾	95,000,000	95,000,000	5,000,000	5,000,000
---------------------------------	------------	------------	-----------	-----------

Subsidiary

Yanlord Land (HK) Co., Limited

(i) Senior notes due 2022 (US\$'000)

Ng Shin Ein	2,800	2,800	—	—
-------------	-------	-------	---	---

(ii) Senior notes due 2023 (US\$'000)

Zhong Sheng Jian	50,000	50,000	—	—
------------------	--------	--------	---	---

(iii) Senior notes due 2024 (US\$'000)

Ng Shin Ein	2,000	2,000	—	—
Hee Theng Fong	750	750	—	—

Related corporations

(i) Yanlord Capital Pte. Ltd.
(Ordinary shares)

Zhong Sheng Jian ⁽²⁾	—	—	1	1
---------------------------------	---	---	---	---

(ii) Yanlord Industries Pte. Ltd.
(Ordinary shares)

Zhong Sheng Jian ⁽³⁾	—	—	1	1
---------------------------------	---	---	---	---

Notes:

⁽¹⁾ Zhong Sheng Jian is deemed to have an interest in 5,000,000 (2019 : 5,000,000) ordinary shares of YHPL held by his spouse.

⁽²⁾ Zhong Sheng Jian is deemed to have an interest in 1 (2019 : 1) ordinary share of Yanlord Capital Pte. Ltd. held by YHPL.

⁽³⁾ Zhong Sheng Jian is deemed to have an interest in 1 (2019 : 1) ordinary share of Yanlord Industries Pte. Ltd. held by YHPL.

By virtue of Section 7 of the Act, Zhong Sheng Jian is deemed to have an interest in the Company and all the related corporations of the Company.

The directors' interests in the ordinary shares of the Company as at January 21, 2021 were the same as those as at December 31, 2020.

DIRECTORS' STATEMENT

4 SHARE OPTIONS

- a. Options to take up unissued shares

During the financial year, no option to take up unissued shares of the Company or any of its subsidiary corporations was granted.

- b. Options exercised

During the financial year, no share of the Company or any of its subsidiary corporations was allotted and issued by virtue of the exercise of options to take up unissued shares of the Company or any of its subsidiary corporations.

- c. Unissued shares under options

There was no option granted by the Company or any of its subsidiary corporations to any person to take up unissued shares of the Company or any of its subsidiary corporations as at the end of the financial year.

5 AUDIT COMMITTEE

At the date of this statement, the Audit Committee comprises the following members:

Ronald Seah Lim Siang	Chairman and Lead Independent Director
Ng Shin Ein	Independent Non-Executive Director
Hong Pian Tee	Independent Non-Executive Director
Hee Theng Fong	Independent Non-Executive Director
Teo Ser Luck	Independent Non-Executive Director

The Audit Committee carried out its functions in accordance with Section 201B(5) of the Act.

The Audit Committee has recommended to the directors the nomination of Deloitte & Touche LLP, Singapore for re-appointment as external auditors of the Company at the forthcoming Annual General Meeting of the Company.

6 AUDITORS

The auditors, Deloitte & Touche LLP, Singapore, have expressed their willingness to accept re-appointment.

ON BEHALF OF THE DIRECTORS

Zhong Sheng Jian

Zhong Ming

March 18, 2021

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF YANLORD LAND GROUP LIMITED

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of Yanlord Land Group Limited (the "Company") and its subsidiaries (the "Group"), which comprise the consolidated statement of financial position of the Group and the statement of financial position of the Company as at December 31, 2020, and the consolidated statement of profit or loss, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows of the Group and the statement of changes in equity of the Company for the year then ended, and the notes to the financial statements, including a summary of significant accounting policies, as set out on pages 86 to 185.

In our opinion, the accompanying consolidated financial statements of the Group and the statement of financial position and statement of changes in equity of the Company are properly drawn up in accordance with the provisions of the Companies Act, Chapter 50 ("the Act"), Singapore Financial Reporting Standards (International) ("SFRS(I)s") and International Financial Reporting Standards ("IFRSs") so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the Company as at December 31, 2020, and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group and changes in equity of the Company for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities ("ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

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

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF YANLORD LAND GROUP LIMITED

Key audit matters	How the scope of our audit responded to the key audit matters
Assessment of recoverable amounts for properties for development, completed properties for sale and properties under development for sale	
Properties (consisting of properties for development, completed properties for sale and properties under development for sale) (Note 9) represent a significant proportion of the assets in the Group's statement of financial position.	We obtained an understanding of and tested the design and implementation of the Group's relevant key controls related to assessment of recoverable amounts for the Properties, which include checking approvals over the reviewing and updating of selling prices and cost forecasts, the setting of budgets and the authorisation and recording of costs.
The accounting policies for the Properties are set out in Note 2 to the consolidated financial statements.	We discussed with management to understand the basis used in determining whether the Properties are impaired and the amount of impairment to be recorded, if any.
Management's assessment of the recoverable amounts of the Properties is a judgemental process which requires the estimation of the net realisable value, which takes into account the expected selling price (net of all estimated selling expenses) and the anticipated costs to completion. The shortfall in the net realisable value over the cost is charged to profit or loss. The key sources of estimation uncertainty relating to the Properties are disclosed in Note 3 to the consolidated financial statements.	We challenged management's assumptions relating to the reasonableness of the future sales expectations including expected selling prices. We compared the expected selling prices to externally published benchmarks and also considered whether these prices are consistent with the current property market trends.
The assessment of recoverable amounts of the Properties also takes into consideration the development plan, timing of sales, current market prices of the properties involved or of comparable properties and the prevailing property market conditions. Management performs cost studies for each project, taking into account the costs incurred to date, the development status and costs to complete each development project.	On a sampling basis, we agreed land costs to the acquisition of land use right agreements, verified projected construction costs to the construction agreements, and compared to the construction costs of the Group's other similar projects.
	For properties for development, we compared the land cost to the recently transacted land price in the surrounding vicinity.
	On development projects with slower than expected sales or with low or negative margins, we compared actual margins achieved to budget. We evaluated the sensitivity of the margin to changes in sales prices and costs.
	Based on our procedures, we noted that management's estimate of recoverable amounts of the Properties are consistent with our understanding.
	We have also assessed the adequacy of the disclosures in respect of significant estimates made on the recoverable amounts for the Properties in the consolidated financial statements.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF YANLORD LAND GROUP LIMITED

Key audit matters

How the scope of our audit responded to the key audit matters

Valuation of investment properties

Investment properties (Note 8) represent a significant proportion of the assets in the Group's statement of financial position.

The accounting policy for investment properties is set out in Note 2 to the consolidated financial statements.

The fair value of the investment properties is based on valuations performed by independent professional valuers (the "Valuers").

In determining fair values of investment properties, three valuation techniques are used by Valuers, depending on the nature of each investment property. These valuation techniques used include: (i) direct comparison approach; (ii) income capitalisation approach; and (iii) residual approach.

The valuation of the investment properties is a significant estimation area as it is underpinned by a number of key assumptions used in the valuation, which include (i) price per square metre or per carpark unit; (ii) capitalisation rates; and (iii) market rent per square metre per month.

The key sources of estimation uncertainty relating to the investment properties are disclosed in Note 3 to the consolidated financial statements.

We obtained an understanding of and tested the design and implementation of the Group's relevant key controls in appointing the Valuers and reviewed and challenged the work of the Valuers.

We assessed the Valuers' competence, independence and capabilities. We read their terms and scope of the valuation engagement.

We reviewed the valuation methodologies adopted by the Valuers.

We discussed with the Valuers to understand the assumptions and valuation techniques used in valuing the investment properties and the market evidence used by the Valuers to support their assumptions.

With the assistance of our internal valuation specialists, we evaluated the appropriateness of the valuation methodologies and techniques used by the Valuers. Taking into account the characteristics of investment property selected for testing, we benchmarked and challenged the key assumptions used by reference to externally published industry data and comparable property transactions, where available, and we also considered whether these assumptions are consistent with the current market environment.

Based on our procedures, we noted that the valuation methodologies and techniques adopted by the Valuers are comparable to the methods used for similar property types. In addition, we noted that the key assumptions used in the valuations to be within a reasonable range of our expectations.

We have also assessed the adequacy of the disclosures including the inputs into the valuations and the assumptions used in the consolidated financial statements.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF YANLORD LAND GROUP LIMITED

Information Other than the Financial Statements and Auditor's Report Thereon

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the 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 financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the 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 Management and Directors for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act, SFRS(I)s and IFRSs, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management is 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 management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs 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 financial statements.

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

- (a) Identify and assess the risks of material misstatement of the 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.
- (b) 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.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF YANLORD LAND GROUP LIMITED

- (c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- (d) Conclude on the appropriateness of management's 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 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.
- (e) Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- (f) Obtain sufficient appropriate audit evidence regarding the financial information of the entities and business activities within the Group to express an opinion on the 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 directors 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 directors 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, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the current year 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.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In our opinion, the accounting and other records required by the Act to be kept by the Company and by those subsidiary corporations incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

The engagement partner on the audit resulting in this independent auditor's report is Seah Gek Choo.

Deloitte & Touche LLP
Public Accountants and
Chartered Accountants
Singapore

March 18, 2021

STATEMENTS OF FINANCIAL POSITION

DECEMBER 31, 2020

Note	GROUP		COMPANY	
	2020 RMB'000	2019 RMB'000	2020 RMB'000	2019 RMB'000
ASSETS				
Non-current assets				
Property, plant and equipment	7	3,812,972	3,930,211	—
Investment properties	8	30,089,567	27,942,862	—
Right-of-use assets		259,078	352,879	—
Properties for development	9	7,321,261	10,240,138	—
Investments in subsidiaries	10	—	—	13,349,035
Investments in associates	11	2,154,048	2,201,546	—
Investments in joint ventures	12	8,338,863	6,631,382	—
Other receivables and deposits	14	2,656,144	2,373,652	—
Non-trade amounts due from:				
Associates	11	994,547	875,773	—
Joint ventures	12	2,781,997	3,857,552	—
Non-controlling shareholders of subsidiaries	13	767,977	1,036,527	—
Financial assets at fair value through other comprehensive income		383,076	320,258	—
Intangible asset	15	812	812	—
Deferred tax assets	16	640,577	596,801	—
Pledged bank deposits	17	91,259	—	—
Total non-current assets		60,292,178	60,360,393	13,349,035
Current assets				
Inventories		185,111	211,836	—
Completed properties for sale	9	9,689,284	7,495,094	—
Properties under development for sale	9	34,918,072	25,484,907	—
Trade receivables		349,649	347,385	—
Other receivables and deposits	14	4,593,715	3,762,369	2
Non-trade amounts due from:				
Subsidiaries	5	—	—	5,698,312
Associates	11	1,650,210	1,436,013	—
Joint ventures	12	10,700,082	10,583,186	—
Non-controlling shareholders of subsidiaries	13	6,177,506	5,363,938	—
Other related parties	6	4,757	806	—
Income tax prepayment		677,145	562,235	—
Pledged bank deposits	17	122,214	469,558	—
Cash and cash equivalents	17	17,199,902	13,817,589	1,114
Total current assets		86,267,647	69,534,916	5,699,428
Total assets		146,559,825	129,895,309	19,048,463

STATEMENTS OF FINANCIAL POSITION

DECEMBER 31, 2020

Note	GROUP		COMPANY	
	2020 RMB'000	2019 RMB'000	2020 RMB'000	2019 RMB'000
EQUITY AND LIABILITIES				
Capital, reserves and non-controlling interests				
Share capital	19	7,261,726	7,261,726	7,261,726
Reserves		23,942,420	20,985,064	135,368
Equity attributable to owners of the Company		31,204,146	28,246,790	7,397,094
Non-controlling interests		9,413,419	11,660,464	—
Total equity		40,617,565	39,907,254	7,397,094
Non-current liabilities				
Bank and other borrowings – due after one year	21	26,736,704	22,083,133	—
Senior notes	22	7,783,718	9,080,931	—
Lease liabilities		206,490	326,895	—
Deferred tax liabilities	16	4,544,458	4,212,852	—
Other payables	24	308,764	446,072	—
Non-trade amount due to:				
Joint venture	12	200,000	200,000	—
Put liability to acquire non-controlling interests	18	333,380	—	—
Deferred income		382,106	478,858	—
Total non-current liabilities		40,495,620	36,828,741	—
Current liabilities				
Bank and other borrowings – due within one year	21	7,990,620	14,477,599	—
Senior notes	22	224,379	—	—
Lease liabilities		65,863	34,218	—
Trade payables	23	10,464,094	8,547,545	—
Other payables	24	4,076,676	6,607,418	4,512
Contract liabilities	25	23,940,774	11,889,420	3,051
Non-trade amounts due to:				
Subsidiaries	5	—	—	11,503,715
Associates	11	1,062,119	665,085	—
Joint ventures	12	7,645,737	3,277,093	—
Directors	6	143,642	109,489	143,142
Non-controlling shareholders of subsidiaries	13	2,329,755	485,895	—
Other related parties	6	19,805	8,504	—
Income tax payable		6,324,696	5,904,278	—
Put liability to acquire non-controlling interests	18	1,158,480	1,152,770	—
Total current liabilities		65,446,640	53,159,314	11,651,369
Total equity and liabilities		146,559,825	129,895,309	19,048,463
				18,436,336

See accompanying notes to financial statements.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

FINANCIAL YEAR ENDED DECEMBER 31, 2020

	Note	GROUP	
		2020 RMB'000	2019 RMB'000
Revenue	25	23,918,075	18,666,358
Cost of sales		(15,210,025)	(10,982,715)
Gross profit		8,708,050	7,683,643
Other operating income and other gains	26	1,060,074	1,898,477
Fair value gain on investment properties		1,119,581	1,876,482
Selling expenses		(630,259)	(574,450)
Administrative expenses		(1,233,435)	(1,145,427)
Other operating expenses		(17,981)	(11,013)
Finance cost	27	(1,540,895)	(1,275,839)
Share of (loss) profit of associates	11	(18,068)	73,716
Share of profit of joint ventures	12	37,609	269,473
Profit before income tax		7,484,676	8,795,062
Income tax	28	(3,832,320)	(3,606,963)
Profit for the year	29	3,652,356	5,188,099
Profit attributable to:			
Owners of the Company		2,591,883	3,350,451
Non-controlling interests		1,060,473	1,837,648
		3,652,356	5,188,099
Earnings per share (Renminbi cents)	30		
– Basic		134.19	173.46
– Diluted		134.19	173.46

See accompanying notes to financial statements.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FINANCIAL YEAR ENDED DECEMBER 31, 2020

	Note	GROUP	
		2020 RMB'000	2019 RMB'000
Profit for the year	29	3,652,356	5,188,099
Other comprehensive income (expense):			
<u>Items that will not be reclassified subsequently to profit or loss:</u>			
Currency translation difference		(388,059)	627,848
Share of other comprehensive income of a joint venture		–	23,705
Change in fair value of financial assets at fair value through other comprehensive income	4 (c)(vi)	63,322	202
Remeasurements of defined benefit pension plans		1,443	–
Income tax relating to components of other comprehensive income		(271)	–
<u>Items that may be reclassified subsequently to profit or loss:</u>			
Currency translation difference		1,162,926	(771,645)
Share of other comprehensive income of a joint venture		–	872
Share of other comprehensive income of associates		5,188	934
Other comprehensive income (expense) for the year, net of tax		844,549	(118,084)
Total comprehensive income for the year		4,496,905	5,070,015
Total comprehensive income attributable to:			
Owners of the Company		3,438,680	3,244,634
Non-controlling interests		1,058,225	1,825,381
		4,496,905	5,070,015

See accompanying notes to financial statements.

STATEMENTS OF CHANGES IN EQUITY

FINANCIAL YEAR ENDED DECEMBER 31, 2020

	Note	Share capital RMB'000	Treasury shares RMB'000	Currency translation reserve RMB'000	Statutory reserve RMB'000	Merger deficit RMB'000	Other reserve RMB'000	Accumulated profits RMB'000	Equity attributable to owners of the Company RMB'000	Non-controlling interests RMB'000	Total RMB'000
		(Note 20)									
GROUP											
Balance at January 1, 2019		7,261,726	(132,309)	(945,687)	2,011,120	(1,834,019)	(3,428,371)	22,094,268	25,026,728	7,848,088	32,874,816
Total comprehensive income for the year:											
Profit for the year		–	–	–	–	–	–	3,350,451	3,350,451	1,837,648	5,188,099
Other comprehensive expense for the year		–	–	(131,530)	–	–	2,008	23,705	(105,817)	(12,267)	(118,084)
Total		–	–	(131,530)	–	–	2,008	3,374,156	3,244,634	1,825,381	5,070,015
Transactions with owners, recognised directly in equity:											
Acquisition of subsidiaries	33	–	–	(4,143)	–	–	32,356	–	28,213	6,457,786	6,485,999
Change of interest in subsidiaries	10	–	–	–	–	–	636,677	–	636,677	(3,654,610)	(3,017,933)
Change of control from a subsidiary to a joint venture	34	–	–	–	–	–	–	–	–	(36,932)	(36,932)
Disposal of a subsidiary		–	–	–	–	–	–	–	–	(50)	(50)
Capital withdrawal by non-controlling shareholders		–	–	–	–	–	–	–	–	(434,000)	(434,000)
Non-controlling interest arising from acquisition of a subsidiary	33	–	–	–	–	–	–	–	–	3,000	3,000
Dividends	31	–	–	–	–	–	–	(652,033)	(652,033)	–	(652,033)
Dividends declared to non-controlling shareholders		–	–	–	–	–	–	–	–	(347,979)	(347,979)
Remeasurements of defined benefit pension plans of a subsidiary		–	–	–	–	–	–	(4,415)	(4,415)	–	(4,415)
Share of share option reserve from associates		–	–	–	–	–	66	–	66	–	66
Share of other reserves of a joint venture		–	–	–	–	–	(32,858)	–	(32,858)	–	(32,858)
Utilisation of statutory reserve		–	–	–	(222)	–	–	–	(222)	(220)	(442)
Appropriations		–	–	–	201,493	–	–	(201,493)	–	–	–
Total		–	–	(4,143)	201,271	–	636,241	(857,941)	(24,572)	1,986,995	1,962,423
Balance at December 31, 2019		7,261,726	(132,309)	(1,081,360)	2,212,391	(1,834,019)	(2,790,122)	24,610,483	28,246,790	11,660,464	39,907,254

STATEMENTS OF CHANGES IN EQUITY

FINANCIAL YEAR ENDED DECEMBER 31, 2020

	Note	Share capital RMB'000	Treasury shares RMB'000	Currency translation reserve RMB'000	Statutory reserve RMB'000	Merger deficit RMB'000	Other reserve RMB'000	Accumulated profits of the Company RMB'000	Attributable to owners of the Company RMB'000	Non-controlling interests RMB'000	Total RMB'000
(Note 20)											
GROUP											
Balance at January 1, 2020		7,261,726	(132,309)	(1,081,360)	2,212,391	(1,834,019)	(2,790,122)	24,610,483	28,246,790	11,660,464	39,907,254
Total comprehensive income for the year:											
Profit for the year		–	–	–	–	–	–	2,591,883	2,591,883	1,060,473	3,652,356
Other comprehensive income for the year		–	–	777,490	–	–	68,496	811	846,797	(2,248)	844,549
Total		–	–	777,490	–	–	68,496	2,592,694	3,438,680	1,058,225	4,496,905
Transactions with owners, recognised directly in equity:											
Acquisition of subsidiaries	33	–	–	–	–	–	–	–	–	1,959,969	1,959,969
Change of interest in subsidiaries		–	–	–	32,434	–	487,382	–	519,816	(2,201,258)	(1,681,442)
Change of control from a subsidiary to a joint venture		–	–	–	(25,901)	–	–	25,901	–	(61,881)	(61,881)
Capital injection from non-controlling shareholders		–	–	–	–	–	–	–	–	1,415,227	1,415,227
Capital withdrawal by non-controlling shareholders		–	–	–	–	–	–	–	–	(413,920)	(413,920)
Dividends	31	–	–	–	–	–	–	(660,715)	(660,715)	–	(660,715)
Dividends declared to non-controlling shareholders		–	–	–	–	–	–	–	–	(4,003,407)	(4,003,407)
Share of share option reserve from associates		–	–	–	–	–	(85)	–	(85)	–	(85)
Put liability to acquire non-controlling interest	18	–	–	–	–	–	(340,340)	–	(340,340)	–	(340,340)
Appropriations		–	–	–	1,047,605	–	–	(1,047,605)	–	–	–
Total		–	–	–	1,054,138	–	146,957	(1,682,419)	(481,324)	(3,305,270)	(3,786,594)
Balance at December 31, 2020		7,261,726	(132,309)	(303,870)	3,266,529	(1,834,019)	(2,574,669)	25,520,758	31,204,146	9,413,419	40,617,565

STATEMENTS OF CHANGES IN EQUITY

FINANCIAL YEAR ENDED DECEMBER 31, 2020

	Note	Share capital RMB'000	Treasury shares RMB'000 (Note 20)	Currency translation reserve RMB'000	Accumulated profits RMB'000	Total RMB'000
COMPANY						
Balance at January 1, 2019		7,261,726	(132,309)	60,987	336,069	7,526,473
Total comprehensive income for the year:						
Profit for the year		–	–	–	600,890	600,890
Other comprehensive income for the year		–	–	225,400	–	225,400
Total		–	–	225,400	600,890	826,290
Transaction with owners, recognised directly in equity:						
Dividends	31	–	–	–	(652,033)	(652,033)
Total		–	–	–	(652,033)	(652,033)
Balance at December 31, 2019		7,261,726	(132,309)	286,387	284,926	7,700,730
Total comprehensive income for the year:						
Profit for the year		–	–	–	702,616	702,616
Other comprehensive expense for the year		–	–	(345,537)	–	(345,537)
Total		–	–	(345,537)	702,616	357,079
Transaction with owners, recognised directly in equity:						
Dividends	31	–	–	–	(660,715)	(660,715)
Total		–	–	–	(660,715)	(660,715)
Balance at December 31, 2020		7,261,726	(132,309)	(59,150)	326,827	7,397,094

See accompanying notes to financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

FINANCIAL YEAR ENDED DECEMBER 31, 2020

	Note	GROUP	
		2020 RMB'000	2019 RMB'000
Operating activities			
Profit before income tax		7,484,676	8,795,062
Adjustments for:			
Allowance for doubtful debts and bad debts written-off		10	107
Depreciation expense		316,030	192,578
Dividend income from financial assets at fair value through other comprehensive income		(12,612)	–
Fair value gain on investment properties		(1,119,581)	(1,876,482)
Fair value gain on financial asset at fair value through profit or loss		(210)	(278)
Fair value gain from put liability to acquire non-controlling interests		(1,250)	(167,963)
Finance cost		1,540,895	1,275,839
Interest income		(560,619)	(718,990)
Gain on bargain purchase		–	(1,518,641)
Net gain (loss) on remeasurement of retained interests in associates and joint ventures		(126,503)	564,459
Net (gain) loss on disposal of property, plant and equipment		(1,119)	464
Net gain on disposal of investment properties		(1,436)	(1,475)
Payable written off		–	(6,523)
Provision for development charge written-back		(75,416)	–
Share of loss (profit) of associates		18,068	(73,716)
Share of profit of joint ventures		(37,609)	(269,473)
Net gain (loss) on change of control from subsidiaries to joint ventures		(20,122)	1,340
Gain on disposal of a subsidiary		–	(51)
Operating cash flows before movements in working capital		7,403,202	6,196,257
Properties for development		(2,067,093)	(5,842,409)
Inventories		22,703	9,841
Completed properties for sale		5,547,393	6,101,304
Properties under development for sale		(1,659,443)	(1,309,439)
Trade and other receivables and deposits		(1,266,738)	(2,878,361)
Trade and other payables		386,623	4,592,168
Contract liabilities		1,097,415	2,014,125
Cash generated from operations		9,464,062	8,883,486
Interest paid		(2,847,408)	(2,352,067)
Income tax paid		(2,734,331)	(2,787,046)
Net cash from operating activities		3,882,323	3,744,373

CONSOLIDATED STATEMENT OF CASH FLOWS

FINANCIAL YEAR ENDED DECEMBER 31, 2020

	Note	GROUP	
		2020 RMB'000	2019 RMB'000
Investing activities			
Acquisition of subsidiaries	33	942,311	(2,359,342)
Change of control from subsidiaries to joint ventures	34	(107,938)	(33,956)
Investment in an associate		(5,818)	(150,000)
Investments in joint ventures		(348,255)	(626,380)
Dividend received from associates		3,277	1,473
Dividend received from joint ventures		–	4,869
Dividend received from financial assets at fair value through other comprehensive income		12,612	–
Interest received		278,462	501,881
Decrease (increase) in pledged bank deposits		256,085	(138,510)
Proceeds on disposal of property, plant and equipment		4,609	637
Proceeds on disposal of investment properties		2,856	2,857
Proceeds on disposal of financial asset at fair value through profit or loss		15,510	15,178
Payment for property, plant and equipment		(78,481)	(133,619)
Payment for investment properties		(785,965)	(171,830)
Purchase of financial assets at fair value through other comprehensive income		(5,370)	–
Purchase of financial asset at fair value through profit or loss		(15,300)	(14,900)
Advance to associates		(948,392)	(324,643)
Repayment from associates		593,302	203,935
Advance to joint ventures		(4,592,042)	(3,905,869)
Repayment from joint ventures		6,569,580	9,751,039
Advance to non-controlling shareholders of subsidiaries		(2,671,303)	(2,693,772)
Advance to a related party		(4,000)	–
Net cash used in investing activities		(884,260)	(70,952)
Financing activities			
Dividends paid	31	(660,715)	(652,033)
Dividends paid to non-controlling shareholders of subsidiaries		(242,745)	(433,542)
Net proceeds on issue of senior notes		–	2,720,066
Redemption of senior notes		(527,671)	–
Proceeds from bank and other borrowings		21,586,609	21,333,843
Repayment of bank and other borrowings		(24,512,237)	(19,376,732)
Repayment of lease liabilities		(80,109)	(24,765)
Advance from associates		177,926	621,535
Advance from joint ventures		4,191,870	825,916
Advance from directors		29,283	52,068
Advance from non-controlling shareholders of subsidiaries		1,240,259	10,583
Repayment to non-controlling shareholders of subsidiaries		(451,237)	(1,956,987)
Advance from (Repayment to) other related parties		11,301	(36,304)
Capital injection from non-controlling shareholders of subsidiaries		1,415,227	3,000
Capital withdrawal by non-controlling shareholders of subsidiaries		(413,920)	(434,000)
Acquisition of non-controlling interests in subsidiaries		(1,161,969)	(3,017,933)
Proceeds from disposal of a subsidiary		–	7,963
Net cash from (used in) financing activities		601,872	(357,322)

CONSOLIDATED STATEMENT OF CASH FLOWS

FINANCIAL YEAR ENDED DECEMBER 31, 2020

	Note	GROUP	
		2020 RMB'000	2019 RMB'000
Net increase in cash and cash equivalents		3,599,935	3,316,099
Cash and cash equivalents at beginning of year	17	13,817,589	10,317,374
Effect of exchange rate changes on the balance of cash held in foreign currencies		(217,622)	184,116
Cash and cash equivalents at end of year	17	17,199,902	13,817,589

See accompanying notes to financial statements.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2020

1 GENERAL

The Company (Registration No. 200601911K) is incorporated in the Republic of Singapore with its principal place of business and registered office at 9 Temasek Boulevard, #36-02 Suntec Tower Two, Singapore 038989. The Company is listed on the Singapore Exchange Securities Trading Limited. The financial statements are presented in Renminbi ("RMB").

The principal activity of the Company is to carry on the business of an investment holding company and procurer of funds.

The principal activities of the significant subsidiaries are disclosed in Note 10 to the financial statements.

The consolidated financial statements of the Group and statement of financial position and statement of changes in equity of the Company for the financial year ended December 31, 2020 were authorised for issue by the Board of Directors on March 18, 2021.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

BASIS OF ACCOUNTING – The financial statements are prepared in accordance with the historical cost basis except as disclosed in the accounting policies below, and are drawn up in accordance with the provisions of the Singapore Companies Act, Singapore Financial Reporting Standards (International) ("SFRS(I)"s) and International Financial Reporting Standards ("IFRS"). SFRS(I) is identical to IFRS as issued by the International Accounting Standards Board.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability which market participants would take into account when pricing the asset or liability at the measurement date. Fair value for measurement and / or disclosure purposes in these consolidated financial statements is determined on such a basis, except for leasing transactions that are within scope of SFRS(I) 16 *Leases* and measurements that have some similarities to fair value but are not fair value, such as net realisable value in SFRS(I) 1-2 *Inventories* or value in use in SFRS(I) 1-36 *Impairment of Assets*.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2020

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

ADOPTION OF NEW AND REVISED STANDARDS – On January 1, 2020, the Group and the Company adopted all the new and revised SFRS(I) pronouncements that are relevant to its operations. The adoption of these new / revised SFRS(I) pronouncements does not result in changes to the Group's and the Company's accounting policies and has no material effect on the amounts reported for the current or prior years, except as discussed below.

Amendments to SFRS(I) 3 Business Combinations: Definition of a Business

The Group has adopted the amendments to SFRS(I) 3 for the first time in the current year. The amendments clarify that while businesses usually have outputs, outputs are not required for an integrated set of activities and assets to qualify as a business. To be considered a business an acquired set of activities and assets must include, at a minimum, an input and a substantive process that together significantly contribute to the ability to create outputs.

The amendments remove the assessment of whether market participants are capable of replacing any missing inputs or processes and continuing to produce outputs. The amendments also introduce additional guidance that helps to determine whether a substantive process has been acquired.

The amendments introduce an optional concentration test that permits a simplified assessment of whether an acquired set of activities and assets is not a business. Under the optional concentration test, the acquired set of activities and assets is not a business if substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar assets.

The amendments are applied prospectively to all business combinations and asset acquisitions for which the acquisition date is on or after January 1, 2020.

During the year, the Group elected to apply the optional concentration test in respect of the acquisition of subsidiaries as disclosed in Note 33. As a result, the Group concluded that the acquisition of Tianjin Yanlord Hehai Real Estate Co., Ltd. ("Tianjin Hehai") and Nanjing Yiyan Real Estate Co., Ltd. ("Nanjing Yiyan") are not business combinations as substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar identifiable assets.

For those acquisition in which concentration test is not met, the Group applied requirements under SFRS(I) 3 to assess if the acquired set of activities and assets comprises all of the required elements of a business.

At the date of authorisation of these financial statements, the following SFRS(I)s pronouncements relevant to the Group and Company were issued but not effective:

Effective for annual periods beginning on or after June 1, 2020

- Amendment to SFRS(I) 16: Covid-19-Related Rent Concessions

Effective for annual periods beginning on or after January 1, 2021

- Amendments to SFRS(I) 9, SFRS(I) 1-39, SFRS(I) 7, SFRS(I) 4, SFRS(I) 16: Interest Rate Benchmark Reform – Phase 2

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2020

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Effective for annual periods beginning on or after January 1, 2022

- Amendments to SFRS(I) 3: Reference to the Conceptual Framework
- Amendments to SFRS(I) 1-16: *Property, Plant and Equipment – Proceeds before Intended Use*
- Amendments to SFRS(I) 1-37: *Onerous Contracts – Cost of Fulfilling a Contract*
- Annual Improvements to SFRS(I)s 2018-2020

Effective for annual periods beginning on or after January 1, 2023

- Amendments to SFRS(I) 1-1: *Classification of Liabilities as Current or Non-current*

Effective date is deferred indefinitely

- Amendments to SFRS(I) 10 and SFRS(I) 1-28: *Sale or Contribution of Assets between Investor and its Associate or Joint Venture*

Management anticipates that the adoption of the above SFRS(I)s, SFRS(I) INTs and amendments to SFRS(I) in future periods will not have a material impact on the financial statements of the Group and of the Company in the period of their initial adoption.

BASIS OF CONSOLIDATION – The consolidated financial statements incorporate the financial statements of the Company and entities (including structured entities) controlled by the Company and its subsidiaries. Control is achieved when the Company:

- Has power over the investee;
- Is exposed, or has rights, to variable returns from its involvement with the investee; and
- Has the ability to use its power to affect its returns.

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the Company has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Company considers all relevant facts and circumstances in assessing whether or not the Company's voting rights in an investee are sufficient to give it power, including:

- The size of the Company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- Potential voting rights held by the Company, other vote holders or other parties;
- Rights arising from other contractual arrangements; and
- Any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2020

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit or loss from the date the Company gains control until the date when the Company ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

Changes in the Group's ownership interests in existing subsidiaries

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries including re-attribution of relevant reserves between the Group and the non-controlling interests according to the Group's and the non-controlling interests' proportionate interests.

Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

When the Group loses control of a subsidiary, a gain or loss is recognised in profit or loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as specified / permitted by applicable SFRS(I)s). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under SFRS(I) 9, when applicable, the cost on initial recognition of an investment in an associate or a joint venture.

In the Company's financial statements, investments in subsidiaries are carried at cost less any impairment in net recoverable value that has been recognised in profit or loss.

BUSINESS COMBINATIONS – The acquisition of subsidiaries from a common controlling shareholder is accounted for using the merger accounting method. Under this method, the Company has been treated as the holding company of the subsidiaries for the financial years presented rather than from the date of acquisition of the subsidiaries.

The acquisition of subsidiaries and businesses are accounted for using the acquisition method. The consideration for each acquisition is measured at the aggregate of the acquisition date fair values of assets given, liabilities incurred by the Group to the former owners of the acquiree, and equity interests issued by the Group in exchange for control of the acquiree. Acquisition-related costs are recognised in profit or loss as incurred.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2020

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Where applicable, the consideration for the acquisition includes any asset or liability resulting from a contingent consideration arrangement, measured at its acquisition-date fair value. Subsequent changes in such fair values are adjusted against the cost of acquisition where they qualify as measurement period adjustments (see below). The subsequent accounting for changes in the fair value of the contingent consideration that do not qualify as measurement period adjustments depends on how the contingent consideration is classified. Contingent consideration that is classified as equity is not remeasured at subsequent reporting dates and its subsequent settlement is accounted for within equity. Contingent consideration that is classified as an asset or a liability is remeasured at subsequent reporting dates at fair value, with changes in fair value recognised in profit or loss.

Where a business combination is achieved in stages, the Group's previously held interests in the acquired entity are remeasured to fair value at the acquisition date (i.e. the date the Group attains control) and the resulting gain or loss, if any, is recognised in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to profit or loss, where such treatment would be appropriate if that interest were disposed of.

Any excess of the sum of the fair value of the consideration transferred in the business combination, the amount of non-controlling interest in the acquiree (if any), and the fair value of the Group's previously held equity interest in the acquiree (if any), over the net fair value of the acquiree's identifiable assets and liabilities is recorded as goodwill. In instances where the latter amount exceeds the former, the excess is recognised as a gain on bargain purchase in the profit or loss at the acquisition date.

The acquiree's identifiable assets, liabilities and contingent liabilities that meet the conditions for recognition under the SFRS(I) are recognised at their fair value at the acquisition date, except that:

- Deferred tax assets or liabilities and liabilities or assets related to employee benefit arrangements are recognised and measured in accordance with SFRS(I) 1-12 *Income Taxes* and SFRS(I) 1-19 *Employee Benefits* respectively;
- Liabilities or equity instruments related to share-based payment transactions of the acquiree or the replacement of an acquiree's share-based payment awards transactions with share-based payment awards transactions of the acquirer in accordance with the method in SFRS(I) 2 *Share-based Payment* at the acquisition date; and
- Assets (or disposal groups) that are classified as held for sale in accordance with SFRS(I) 5 *Non-current Assets Held for Sale and Discontinued Operations* are measured in accordance with that Standard.

Non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation may be initially measured either at fair value or at the non-controlling interests' proportionate share of the recognised amounts of the acquiree's identifiable net assets. The choice of measurement basis is made on a transaction-by-transaction basis. Other types of non-controlling interests are measured at fair value or, when applicable, on the basis specified in another SFRS(I).

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period (see below), or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed as of the acquisition date that, if known, would have affected the amounts recognised as of that date.

The measurement period is the period from the date of acquisition to the date the Group obtains complete information about facts and circumstances that existed as of the acquisition date and is subject to a maximum of one year from acquisition date.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2020

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

PUT LIABILITIES TO ACQUIRE NON-CONTROLLING INTERESTS – When an entity within the Group writes non-cancellable rights for non-controlling shareholders to put back their shares to the entity (the “Put Instruments”) as part of the acquisition of a subsidiary for settlement in cash, a put liability is recognised for the present value of the exercise price of the Put Instruments. This creates an obligation or potential obligation for the entity to purchase its subsidiary’s instruments (constitutes the Group’s own equity in the consolidated financial statements) for cash.

When the non-controlling shareholders still have present access to the returns associated with the underlying ownership interests, the Group has chosen an accounting policy that the non-controlling interests continue to be recognised. Therefore, the present value of the Put Instruments is recognised in equity. Subsequent to initial recognition of the financial liability, changes in the carrying amount of the financial liability is recognised in profit or loss, except that the fair value change is as a resultant of distribution of dividends to shareholders which represent repayment of the liability.

If the Put Instrument expires unexercised, then the charge to equity will be reversed and the financial liability will be derecognised. If the Put Instruments are exercised, then the charge to equity will be reversed and the financial liability will be derecognised and acquisition accounting will be applied, whereby the acquisition of the Group’s ownership interests in a subsidiary that do not result in the change in control over the subsidiary are accounted for as equity transactions.

FINANCIAL INSTRUMENTS – Financial assets and financial liabilities are recognised when a group entity becomes a party to the contractual provisions of the instrument. All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

Financial assets and financial liabilities are initially measured at fair value except for trade receivables arising from contracts with customers which are initially measured with SFRS(I) 15. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets or financial liabilities at fair value through profit or loss (“FVTPL”)) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at FVTPL are recognised immediately in profit or loss.

The effective interest method is a method of calculating the amortised cost of a financial asset or financial liability and of allocating interest income and interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts and payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial asset or financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

Financial assets

All financial assets are recognised and de-recognised on a trade date basis where the purchase or sale is under a contract whose terms require delivery of the asset within the timeframe established by the market concerned. All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2020

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Classification and subsequent measurement of financial assets

Financial assets that meet the following conditions are subsequently measured at amortised cost:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets that meet the following conditions are subsequently measured at fair value through other comprehensive income ("FVTOCI"):

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial asset; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All other financial assets are subsequently measured at FVTPL, except that at the date of initial application / initial recognition of a financial asset, the Group may irrevocably elect to present subsequent changes in fair value of an equity investment in other comprehensive income if that equity investment is neither held for trading nor contingent consideration recognised by an acquirer in a business combination to which SFRS(I) 3 *Business Combinations* applies.

Amortised cost and effective interest method

The effective interest method is a method of calculating the amortised cost of a financial asset and of allocating interest income over the relevant period.

Interest income is recognised using the effective interest method for financial assets measured subsequently at amortised cost and FVTOCI. Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for financial assets that have subsequently become credit-impaired. For financial assets that have subsequently become credit-impaired, interest income is recognised by applying the effective interest rate to the amortised cost of the financial asset from the next reporting period. If the credit risk on the credit-impaired financial instrument improves so that the financial asset is no longer credit-impaired, interest income is recognised by applying the effective interest rate to the gross carrying amount of the financial asset from the beginning of the reporting period following the determination that the asset is no longer credit impaired.

Equity instruments designated as at FVTOCI

Investments in equity instruments at FVTOCI are subsequently measured at fair value with gains and losses arising from changes in fair value recognised in OCI and accumulated in the reserve; and are not subject to impairment assessment. The cumulative gain or loss will not be reclassified to profit or loss on disposal of the equity investments, and will be transferred to accumulated profits.

Dividends from these investments in equity instruments are recognised in profit or loss when the Group's right to receive the dividends is established, unless the dividends clearly represent a recovery of part of the cost of the investment. Dividends are included in the "other operating income and other gains" line item in profit or loss.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2020

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Impairment of financial assets

The Group recognises a loss allowance for expected credit losses ("ECL") on financial assets which are subject to impairment under SFRS(I) 9 (including trade receivables, other receivables and non-trade amounts due from associates, joint ventures, non-controlling shareholders of subsidiaries and other related parties, pledged bank deposits, cash and cash equivalents). The amount of ECL is updated at each reporting date to reflect changes in credit risk since initial recognition.

Lifetime ECL represents the ECL that will result from all possible default events over the expected life of the relevant instrument. In contrast, 12-month ECL ("12m ECL") represents the portion of lifetime ECL that is expected to result from default events that are possible within 12 months after the reporting date. Assessment are done based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current conditions at the reporting date as well as the forecast of future conditions.

The Group always recognises lifetime ECL for trade receivables and lease receivables. The ECL on these assets are assessed collectively with appropriate groupings.

For all other instruments and financial guarantees contracts, the Group measures the loss allowance equal to 12m ECL, unless when there has been a significant increase in credit risk since initial recognition, the Group recognises lifetime ECL. The assessment of whether lifetime ECL should be recognised is based on significant increases in the likelihood or risk of a default occurring since initial recognition instead of on evidence of a financial asset being credit-impaired at the reporting date or an actual default occurring.

Significant increase in credit risk

In assessing whether the credit risk has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort.

In particular, the following information is taken into account when assessing whether credit risk has increased significantly:

- an actual or expected significant deterioration in the financial instrument's external (if available) or internal credit rating;
- significant deterioration in external market indicators of credit risk, e.g. a significant increase in the credit spread, the credit default swap prices for the debtor;
- existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations;
- an actual or expected significant deterioration in the operating results of the debtor; and
- an actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtor's ability to meet its debt obligations.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2020

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Irrespective of the outcome of the above assessment, the Group presumes that the credit risk has increased significantly since initial recognition when contractual payments are more than 30 days past due, unless the Group has reasonable and supportable information that demonstrates otherwise.

Despite the foregoing, the Group assumes that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial instrument is determined to have low credit risk at the reporting date. A financial instrument is determined to have low credit risk if (i) it has a low risk of default, (ii) the borrower has a strong capacity to meet its contractual cash flow obligations in the near term and (iii) adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations.

For financial guarantee contracts, the date that the Group becomes a party to the irrevocable commitment is considered to be the date of initial recognition for the purposes of assessing the financial instrument for impairment. In assessing whether there has been a significant increase in the credit risk since initial recognition of financial guarantee contracts, the Group considers the changes in the risk that the specified debtor will default on the contract.

The Group regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

Definition of default

For internal credit risk management, the Group considers an event of default occurs when information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Group, in full (without taking into account any collaterals held by the Group).

Irrespective of the above, the Group considers that default has occurred when a financial asset is more than 90 days past due unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

Credit-impaired financial assets

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

- significant financial difficulty of the issuer or the borrower;
- a breach of contract, such as a default or past due event;
- the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider;
- it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for that financial asset because of financial difficulties.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2020

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Write-off policy

The Group writes off a financial asset when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery, for example, when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings. Financial assets written off may still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. A write-off constitutes a derecognition event. Any subsequent recoveries are recognised in profit or loss.

Measurement and recognition of ECL

The measurement of ECL is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information. Estimation of ECL reflects an unbiased and probability-weighted amount that is determined with the respective risks of default occurring as the weights.

Generally, the ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and the cash flows that the Group expects to receive, discounted at the effective interest rate determined at initial recognition.

For a financial guarantee contract, the Group is required to make payments only in the event of a default by the debtor in accordance with the terms of the instrument that is guaranteed. Accordingly, the expected losses are the present value of the expected payments to reimburse the holder for a credit loss that it incurs less any amounts that the Group expects to receive from the holder, the debtor or any other party.

For ECL on financial guarantee contracts for which the effective interest rate cannot be determined, the Group will apply a discount rate that reflects the current market assessment of the time value of money and the risks that are specific to the cash flows but only if, and to the extent that, the risks are taken into account by adjusting the discount rate instead of adjusting the cash shortfalls being discounted.

Where ECL is measured on a collective basis or cater for cases where evidence at the individual instrument level may not yet be available, the financial instruments are grouped on the following basis:

- Nature of financial instruments (i.e. the Group's trade receivables and other receivables are each assessed as a separate group. Non-trade amounts due from associates, joint ventures, non-controlling shareholders of subsidiaries and other related party are assessed for ECL on an individual basis);
- Past-due status;
- Nature, size and industry of debtors; and
- External credit ratings where available.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2020

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

The grouping is regularly reviewed by management to ensure the constituents of each group continue to share similar credit risk characteristics.

Interest income is calculated based on the gross carrying amount of the financial asset unless the financial asset is credit impaired, in which case interest income is calculated based on amortised cost of the financial asset.

For financial guarantee contracts, the loss allowances are recognised at the higher of the amount of the loss allowance determined in accordance with SFRS(I) 9; and the amount initially recognised less, where appropriate, cumulative amount of income recognised over the guarantee period.

Except for financial guarantee contracts, the Group recognises an impairment gain or loss in profit or loss for all financial instruments by adjusting their carrying amount, with the exception of trade receivables, where the corresponding adjustment is recognised through a loss allowance account.

Derecognition of financial assets

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

On derecognition of an investment in equity instrument which the Group has elected on initial recognition to measure at FVTOCI, the cumulative gain or loss previously accumulated under the heading of other reserve is not reclassified to profit or loss, but is transferred to accumulated profits.

Financial liabilities and equity instruments

Classification as debt or equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a group entity are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2020

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL.

Financial liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is (i) contingent consideration of an acquirer in a business combination to which SFRS(I) 3 applies, (ii) held for trading or (iii) it is designated as at FVTPL.

A financial liability other than a financial liability held for trading or contingent consideration of an acquirer in a business combination may be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise;
- the financial liability forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Group's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and SFRS(I) 9 permits the entire combined contract to be designated as at FVTPL.

Financial liabilities at FVTPL are stated at fair value with any gains or losses arising on change in fair value recognised in profit or loss to the extent that they are not part of a designated hedging relationship. The net gain or loss recognised in profit or loss incorporates only interest paid on the financial liabilities and is included in the "other operating income and other gains" line items. However, for financial liabilities that are designated as at FVTPL, the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is recognised in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss. For financial liabilities that contain embedded derivatives, the changes in fair value of the embedded derivatives are excluded in determining the amount to be presented in other comprehensive income. Changes in fair value attributable to a financial liability's credit risk that are recognised in other comprehensive income are not subsequently reclassified to profit or loss; instead, they are transferred to accumulated profits upon derecognition of the financial liability.

Financial liabilities measured subsequently at amortised cost

Financial liabilities that are not (i) contingent consideration of an acquirer in a business combination, (ii) held-for-trading, or (iii) designated as at FVTPL, are measured subsequently at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2020

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Financial guarantee contracts

A financial guarantee contract is a contract that requires 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. Financial guarantee contracts issued by a group entity are measured initially at their fair values and, if not designated as at FVTPL and do not arise from a transfer of a financial asset. It is subsequently measured at the higher of:

- the amount of the loss allowance determined in accordance with SFRS(I) 9; and
- the amount initially recognised less, where appropriate, cumulative amortisation recognised over the guarantee period.

Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

Offsetting arrangements

Financial assets and financial liabilities are offset and the net amount presented in the statements of financial position when the Group and the Company has a legally enforceable right to set off the recognised amounts; and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously. A right to set-off must be available today rather than being contingent on a future event and must be exercisable by any of the counterparties, both in the normal course of business and in the event of default, insolvency or bankruptcy.

Leases

The Group as lessee

The Group assesses whether a contract is or contains a lease, at inception of the contract. The Group recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Group uses the incremental borrowing rate specific to the lessee.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2020

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Lease payments included in the measurement of the lease liability comprise:

- fixed lease payments (including in-substance fixed payments), less any lease incentives;
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- the amount expected to be payable by the lessee under residual value guarantees;
- the exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and
- payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The lease liability is presented as a separate line in the statements of financial position.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The Group remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- the lease term has changed or there is a significant event or change in circumstances resulting in a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate;
- the lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using the initial discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used); or
- a lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Whenever the Group incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognised and measured under SFRS(I) 1-37. To the extent that the costs relate to a right-of-use asset, the costs are included in the related right-of-use asset, unless those costs are incurred to produce inventories.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2020

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Group expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The right-of-use assets are presented as a separate line in the statements of financial position.

The Group applies SFRS(I) 1-36 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in Note 2.

The Group as lessor

The Group enters into lease agreements as a lessor with respect to its investment properties and certain other properties.

Leases for which the Group is a lessor are classified as finance or operating leases. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

When the Group is intermediate lessor, it accounts for the head lease and the sublease as two separate contracts. The sublease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease.

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

Amounts due from lessees under finance leases are recognised as receivables at the amount of the Group's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Group's net investment outstanding in respect of the leases.

When a contract includes lease and non-lease components, the Group applies SFRS(I) 15 to allocate the consideration under the contract to each component.

PROPERTIES FOR DEVELOPMENT – Properties for development are mainly vacant leasehold land for future development in respect of which physical construction is not expected to commence within twelve months from the end of the reporting period. They are stated at cost less allowance for any impairment in value.

PROPERTIES UNDER DEVELOPMENT FOR SALE – Properties under development for sale are stated at lower of cost and net realisable value. Net realisable value takes into account the price ultimately expected to be realised and the anticipated costs to completion. Cost of properties under development comprises land cost, development costs and borrowing costs capitalised during the development period. When completed, the units held for sale are classified as completed properties for sale.

Properties under development for sale include properties in respect of which concrete planning and preparatory activities have been approved by management and have commenced, and physical construction is expected to commence within twelve months from the end of the reporting period.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2020

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

COMPLETED PROPERTIES FOR SALE – Completed properties for sale are stated at lower of cost or net realisable value. Cost is determined by apportionment of the total land cost, development costs and capitalised borrowing costs based on floor area of the unsold properties. Net realisable value is determined by reference to sale proceeds of properties sold in the ordinary course of business less all estimated selling expenses; or is estimated by management in the absence of comparable transactions after taking into consideration prevailing market conditions.

INVENTORIES – Inventories are stated at the lower of cost and net realisable value. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. Cost is calculated using the weighted average method. Net realisable value represents the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

PROPERTY, PLANT AND EQUIPMENT – Property, plant and equipment are stated at cost less accumulated depreciation and any accumulated impairment losses.

Construction-in-progress consists of land cost, construction costs and capitalised borrowing costs incurred during the period of construction.

Leases with unexpired terms of over 100 years are classified as long leaseholds; those under 100 years are classified as leaseholds.

No depreciation is provided on freehold / long leasehold land as it has an unlimited and long useful life respectively.

Depreciation is charged so as to write off the cost of property, plant and equipment, other than construction-in-progress and freehold / long leasehold land, over their estimated useful lives, using the straight-line method on the following bases:

Freehold / Long leasehold buildings	2%
Leasehold land and buildings	1% to 13%
Motor vehicles	10% to 50%
Furniture, fixtures and equipment	10% to 50%
Plant and machinery	7% to 50%

The estimated useful lives, residual values and depreciation method are reviewed at each year end, with the effect of any changes in estimate accounted for on a prospective basis.

Fully depreciated property, plant and equipment still in use are retained in the financial statements.

The gain or loss arising on the disposal or retirement of a property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

INVESTMENT PROPERTIES – Investment properties are properties held to earn rental income and / or for capital appreciation and properties under construction for such purposes. They are measured initially at cost, including transaction costs and subsequent to initial recognition, measured at fair value. Professional valuations are obtained at least once every year. Gains or losses arising from changes in the fair value of investment property are included in profit or loss for the period in which they arise.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2020

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Construction costs incurred for investment properties under construction are capitalised as part of the carrying amount of the investment properties under construction.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is derecognised.

Transfers are made to or from investment properties when and only when there is a change in use. For a transfer from properties for development, completed properties for sale or properties under development for sale to investment properties, any difference between the fair value of the properties at that date and its previous carrying amount is recognised in profit or loss.

INTANGIBLE ASSET – This relates to a club membership held on a long-term basis and is stated at cost less any impairment loss.

IMPAIRMENT OF TANGIBLE AND INTANGIBLE ASSETS – At the end of each reporting period, the Group reviews the carrying amounts of its tangible and intangible assets other than investment properties and financial assets carried at fair value, to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

ASSOCIATES AND JOINT VENTURES – An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2020

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

The results and assets and liabilities of associates or joint ventures are incorporated in these consolidated financial statements using the equity method of accounting. Under the equity method, an investment in an associate or a joint venture is initially recognised in the consolidated statement of financial position at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the associate or joint venture. When the Group's share of losses of an associate or a joint venture exceeds the Group's interest in that associate or joint venture (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate or joint venture), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture.

Investment in an associate or a joint venture is accounted for using the equity method from the date on which the investee becomes an associate or a joint venture. On acquisition of the investment in an associate or a joint venture, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised immediately in profit or loss in the period in which the investment is acquired.

The requirements of SFRS(I) 1-28 are applied to determine whether it is necessary to recognise any impairment loss with respect to the Group's investment in an associate or a joint venture. When necessary, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with SFRS(I) 1-36 *Impairment of Assets* as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs to sell) with its carrying amount, any impairment loss recognised forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with SFRS(I) 1-36 to the extent that the recoverable amount of the investment subsequently increases.

The Group discontinues the use of the equity method from the date when the investment ceases to be an associate or a joint venture. When the Group retains an interest in the former associate or joint venture and the retained interest is a financial asset, the Group measures the retained interest at fair value at that date and the fair value is regarded as its fair value on initial recognition in accordance with SFRS(I) 9. The difference between the carrying amount of the associate or joint venture at the date the equity method was discontinued, and the fair value of any retained interest and any proceeds from disposing of a part interest in the associate or joint venture is included in the determination of the gain or loss on disposal of the associate or joint venture. In addition, the Group accounts for all amounts previously recognised in other comprehensive income in relation to that associate or joint venture on the same basis as would be required if that associate or joint venture had directly disposed of the related assets or liabilities. Therefore, if a gain or loss previously recognised in other comprehensive income by that associate or joint venture would be reclassified to profit or loss on the disposal of the related assets or liabilities, the Group reclassifies the gain or loss from equity to profit or loss (as a reclassification adjustment) when the equity method is discontinued.

The Group continues to use the equity method when investment in an associate becomes investment in a joint venture or investment in a joint venture becomes investment in an associate. There is no remeasurement to fair value upon such changes in ownership interests.

When the Group reduces its ownership interest in an associate or a joint venture but the Group continues to use the equity method, the Group reclassifies to profit or loss the proportion of the gain or loss that had previously been recognised in other comprehensive income relating to that reduction in ownership interest if that gain or loss would be reclassified to profit or loss on the disposal of the related assets or liabilities.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2020

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

When a group entity transacts with an associate or a joint venture of the Group, profits and losses resulting from the transactions with the associate or joint venture are recognised in the Group's consolidated financial statements only to the extent of interests in the associate or joint venture that are not related to the Group.

PROVISIONS – Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

MERGER DEFICIT – Merger deficit arises from combination of entities under common control accounted for using merger accounting method (see "Business Combinations"). The merger reserve represents the difference between the aggregate nominal amounts of the share capital of the subsidiaries at the date on which they were acquired by the Group and the nominal amount of the share capital issued by the Company as consideration for the acquisition.

STATUTORY RESERVE – Statutory reserve represents the amount transferred from profit after tax of the subsidiaries incorporated in the People's Republic of China ("PRC") (excluding Hong Kong) in accordance with the PRC requirement. The statutory reserve cannot be reduced except where approval is obtained from the relevant PRC authority to apply the amount towards setting off any accumulated losses or increasing capital.

OTHER RESERVE – The negative balance in other reserve comprises (i) the net excess of purchase consideration over the carrying amount of non-controlling interests acquired in the subsidiaries at the date of acquisition; (ii) the charge of the present value of put liabilities in relation to put instruments entered into with the non-controlling shareholders on their equity interests in subsidiaries. Subsequent changes in the carrying value of the put liabilities are recognised in profit or loss; (iii) the net fair value movement on financial assets at FVTOCI; and (iv) the share of share option reserve and other comprehensive income of joint ventures and associates.

REVENUE RECOGNITION – The Group recognises revenue when (or as) a performance obligation is satisfied, i.e. when "control" of the goods or services underlying the particular performance obligation is transferred to the customer.

A performance obligation represents a promise in a contract with customers to transfer a good or service (or a bundle of goods or services) that is distinct or a series of distinct goods or services that are substantially the same.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2020

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Control is transferred over time and revenue is recognised over time by reference to the progress towards complete satisfaction of the relevant performance obligation if one of the following criteria is met:

- the customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs;
- the Group's performance creates and enhances an asset that the customer controls as the Group performs; or
- the Group's performance does 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 customer obtains control of the distinct good or service.

Over time revenue recognition: measurement of progress towards complete satisfaction of a performance obligation

For development properties whereby the Group is restricted contractually from directing the properties for another use as they are being developed and has an enforceable right to payment for performance completed to date, revenue is recognised over time, by using input method, which is based on the construction and other costs incurred to date as a proportion of the estimated total construction and other costs to be incurred.

For income from hotel operations, property management and related services, the progress towards complete satisfaction of a performance obligation is measured based on output method, which is to recognise revenue on the basis of direct measurements of the value of the services transferred to the customer to date relative to the remaining services promised under the contract, that best depict the Group's performance in transferring control of services.

Existence of significant financing component

In determining the transaction price, the Group adjusts the promised amount of consideration for the effects of the time value of money if the timing of payments agreed (either explicitly or implicitly) provides the customer or the Group with a significant benefit of financing the transfer of properties or services to the customer. In those circumstances, the contract contains a significant financing component. A significant financing component may exist regardless of whether the promise of financing is explicitly stated in the contract or implied by the payment terms agreed to by the parties to the contract.

For contracts where the period between payment and transfer of the associated goods or services is less than one year, the Group applies the practical expedient of not adjusting the transaction price for any significant financing component.

For advance payments received from customers before the transfer of the associated goods or services in which the Group adjusts for the promised amount of consideration for a significant financing component, the Group applies a discount rate that would be reflected in a separate financing transaction between the Group and the customer at contract inception. The relevant interest expenses during the period between the advance payments were received and the transfer of the associated goods and services are accounted for on the same basis as other borrowing costs.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2020

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

Incremental costs of obtaining a contract

Incremental costs of obtaining a contract are those costs that the Group incurs to obtain a contract with a customer that it would not have incurred if the contract had not been obtained.

The Group recognises sales commissions as an asset if it expects to recover these costs. The asset so recognised is subsequently amortised to profit or loss on a systematic basis that is consistent with the transfer to the customer of the properties or services to which the assets relate. The asset is subject to impairment review.

The Group applies the practical expedient of expensing all incremental costs to obtain a contract if these costs would otherwise have been fully amortised to profit or loss within one year.

Contract liabilities

A contract liability represents the Group's obligation to transfer properties or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer.

The Group recognises revenue from the following major sources:

Income from property development

Income from property development represents the development and sales of properties. For property development and sales contracts for which the control of the property is transferred at a point in time, revenue is recognised when the customer obtains the control of the completed property and the Group has present right to payment and the collection of the consideration is probable.

For development properties whereby the Group is restricted contractually from directing the properties for another use as they are being developed and has an enforceable right to payment for performance completed to date, revenue is recognised over time, based on the construction and other costs incurred to date as a proportion of the estimated total construction and other costs to be incurred.

Income from property investment and hotel operations

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. The revenue from hotel operations is recognised over time by using the output method.

Income from others

Income from others mainly represents income from property management and other related services. The Group provides property management and other related services to customers. The revenue from property management and other related service is recognised over time elapsed by using output method.

Interest income

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable.

Dividend income

Dividend income from investments is recognised when the shareholders' rights to receive payment have been established.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2020

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

GOVERNMENT SUBSIDIES – Government subsidies are not recognised until there is reasonable assurance that the Group will comply with the conditions attaching to them and the subsidies will be received. Government subsidies are recognised as income over the periods necessary to match them with the related costs. Government subsidies related to expense items are recognised in the same period as those expenses are charged to the profit or loss and are reported separately as “other operating income and other gains” line item.

BORROWING COSTS – 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 these 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 capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

RETIREMENT BENEFIT COSTS – Payments to defined contribution retirement benefit plans are charged as an expense when employees have rendered the services entitling them to the contributions. Payments made to state-managed retirement benefit schemes, such as the Singapore Central Provident Fund, are dealt with as payments to defined contribution plans where the Group’s obligations under the plans are equivalent to those arising in a defined contribution retirement benefit plan.

Pursuant to the relevant regulations of the PRC government, the PRC subsidiaries of the Group (“PRC Subsidiaries”) have participated in central pension schemes (“the Schemes”) operated by local municipal governments whereby the PRC Subsidiaries are required to contribute a certain percentage of the basic salaries of their employees to the Schemes to fund their retirement benefits. The local municipal governments undertake to assume the retirement benefit obligations of all existing and future retired employees of the PRC Subsidiaries. The only obligation of the PRC Subsidiaries with respect to the Schemes is to pay the ongoing required contributions under the Schemes mentioned above. Contributions under the Schemes are charged as expense when incurred.

Defined benefit plans are post-employment benefit pension plans other than defined contribution plans. Defined benefit plans typically define the amount of benefit that an employee will receive on or after retirement, usually dependent on one or more factors such as age, years of service and compensation.

The net defined benefit liability or assets recognised in the statements of financial position in respect of a defined benefit pension plan is the present value of the defined benefit obligation at the reporting date less the fair value of plan assets, adjusted for any effect of limiting a net defined benefit asset to the asset ceiling. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using market yields of high quality corporate bonds that are denominated in the currency in which the benefits will be paid, and have tenures approximating to that of the related post-employment benefit obligations.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period when they arise.

Service costs and net interest on the net defined benefit liability or asset are recognised immediately in the profit or loss.

EMPLOYEE LEAVE ENTITLEMENT – 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 employees up to the end of the reporting period.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2020

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

INCOME TAX – Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the consolidated statement of profit or loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are not taxable or tax deductible. The Group's liability for current tax is calculated using tax rates (and tax laws) that have been enacted or substantively enacted in countries or regions where the Company and subsidiaries operate by the end of the reporting period.

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries and associates, and interests in joint ventures, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at tax rates that are expected to apply in the period when the liability is settled or the asset realised based on the tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. Except for investment properties measured using the fair value model, the measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

For the purposes of measuring deferred tax liabilities and deferred tax assets for investment properties that are measured using the fair value model, the carrying amounts of such properties are presumed to be recovered through sale, unless the presumption is rebutted. The presumption is rebutted when the investment property is depreciable and is held within a business model of the Group whose business objective is to consume substantially all of the economic benefits embodied in the investment property over time, rather than through sale. The Group has rebutted the presumption that the carrying amount of the investment properties will be recovered entirely through sale.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2020

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

FOREIGN CURRENCY TRANSACTIONS AND TRANSLATION – The individual financial statements of each Group entity are measured and presented in the currency of the primary economic environment in which the entity operates (its functional currency). The presentation currency for the consolidated financial statements of the Group and the statement of financial position of the Company is RMB.

In preparing the financial statements of the individual entities, transactions in currencies other than the entity's functional currency are recorded at the rates of exchange prevailing on the date of the transaction. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at the end of each reporting period. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on retranslation of monetary items are included in profit or loss for the period. Exchange differences arising on the retranslation of non-monetary items carried at fair value are included in profit or loss for the period except for differences arising on the retranslation of non-monetary items in respect of which gains and losses are recognised in other comprehensive income. For such non-monetary items, any exchange component of that gain or loss is also recognised directly in other comprehensive income.

Exchange differences on foreign currency borrowings relating to assets under construction for future productive use, are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings.

For the purpose of presenting consolidated financial statements, the assets and liabilities of the entities in the Group which do not have RMB as the functional currency (including comparatives) are expressed in RMB using exchange rates prevailing at the end of each reporting period. Income and expense items (including comparatives) are translated at the average exchange rates for the period, unless exchange rates fluctuated significantly during that period, in which case the exchange rates at the dates of the transactions are used. Exchange differences arising, if any, are classified as other comprehensive income and accumulated in the Group's currency translation reserve (attributed to non-controlling interests as appropriate).

CASH AND CASH EQUIVALENTS IN THE CONSOLIDATED STATEMENT OF CASH FLOWS – Cash and cash equivalents in the consolidated statement of cash flows comprise cash on hand, cash at bank and fixed deposits and are subject to an insignificant risk of changes in value.

3 CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, which are described in Note 2 above, management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2020

3 CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (Cont'd)

Critical judgements in applying the Group's accounting policies

The following are the critical judgements, apart from those involving estimations (see below), that management has made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in the financial statements.

Deferred taxation on investment properties

For the purposes of measuring deferred taxation arising from investment properties that are measured using the fair value model, the directors of the Company have reviewed the Group's investment property portfolios and concluded that the Group's investment properties are held under a business model whose objective is to consume substantially all of the economic benefits embodied in the investment properties over time, rather than through sale. Therefore, in determining the Group's deferred taxation on investment properties, the directors of the Company have determined the presumption of investment properties measured using the fair value model are recovered entirely through sale is rebutted. As a result, the Group has recognised deferred taxation on revaluation of investment properties as the Group is subject to the prevailing income tax rates.

Control over entities for which the Group does not have more than 50% ownership interest and voting rights

Note 10 describes that Hangzhou Kesheng Property Development Co., Ltd. ("Hangzhou Kesheng"), Nanjing Yilan, Shanghai Renpin Property Development Co., Ltd. and Suzhou Renan Real Estate Co., Ltd. are subsidiaries of the Group even though the Group has only a 30%, 50%, 50% and 30% ownership interest and shareholder's voting rights in these four entities respectively.

Management of the Group assessed whether or not the Group has control over these entities based on whether the Group has the practical ability to direct the relevant activities of these entities unilaterally. In making their judgement, management considers the Group's rights arising from the contractual arrangements. After assessment, management concludes that the Group has sufficiently dominant voting right and power to direct the relevant activities of these entities and therefore the Group has unilateral control over these entities.

Key sources of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, 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.

Carrying amounts of properties for development, completed properties for sale and properties under development for sale

The aggregate carrying amount of these properties totalled RMB51.929 billion as at December 31, 2020 (2019 : RMB43.220 billion), details of which are disclosed in Note 9. They are stated at the lower of cost and net realisable values, assessed on an individual property basis.

When it is probable that the total project costs will exceed the total projected revenue net of selling expenses, i.e. net realisable value, the amount in excess of net realisable value is recognised as an expense immediately.

The process of evaluating the net realisable value for each property is subject to management's judgement and the effect of assumptions in respect of development plans, timing of sale and the prevailing market conditions. Management performs cost studies for each project, taking into account the costs incurred to date, the development status and costs to complete each development project. Any future variation in plans, assumptions and estimates can potentially impact the carrying amounts of the respective properties.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2020

3 CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (Cont'd)

Valuation of investment properties

As disclosed in Note 8, investment properties are stated at fair value based on the valuation performed by independent professional valuers. In determining the fair values, the valuers have made reference to both the comparable sales transactions as available in the relevant market of these properties and the capitalisation of the existing and reversionary rental income potential.

The estimated value from capitalisation of the existing and reversionary rental income potential is used as an estimate of fair value, and the estimate is dependent on several variable parameters and projections including capitalisation rates and market rent per square metre per month.

Any change in the variable parameters and projections will result in change in fair value estimate for the investment properties which can potentially be significant.

In relying on the independent professional valuation reports, management considered the method of valuation and the Group's marketing strategy and is of the view that the estimated values are reasonable.

Estimated loss allowance of financial assets in non-trade nature and financial guarantee contracts

Management of the Group estimates the amount of loss allowance to 12-month ECL on financial assets in non-trade nature (including other receivables and non-trade amounts due from associates, joint ventures, non-controlling shareholders of subsidiaries and other related parties) and financial guarantee contracts.

In determining the ECL for these financial assets and financial guarantee contracts, management of the Group has taken into account the historical default experience and forward-looking information, as appropriate, for example the Group has considered the consistently low historical default rate, financial position, property development plan and cash flows projection, as well as pledge of assets of the counterparties and collateral value of the assets, equity interests, undistributed retained earnings in these entities and expected future earnings that would be distributed by entities, based on which, management of the Group has assessed that whether these financial assets have any significant increase in credit risk since initial recognition. Such assessment of the credit risk of the respective financial instrument involves high degree of estimation and uncertainty. When the actual future cash flows are less than expected or more than expected, a material impairment loss or a material reversal of impairment loss may arise, accordingly.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2020

4 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL RISK MANAGEMENT

(a) Categories of financial instruments

The following table sets out the financial instruments as at the end of the reporting period:

	GROUP		COMPANY	
	2020 RMB'000	2019 RMB'000	2020 RMB'000	2019 RMB'000
Financial assets				
Financial assets at amortised cost (including cash and cash equivalents)	45,675,351	40,345,627	5,699,426	4,461,690
Financial assets at FVTOCI	383,076	320,258	—	—
	46,058,427	40,665,885	5,699,426	4,461,690
Financial liabilities				
Financial liabilities at amortised cost	68,446,545	65,702,115	11,651,369	10,735,606
Financial liabilities at FVTPL: Put liabilities to acquire non-controlling interests	1,491,860	1,152,770	—	—
	69,938,405	66,854,885	11,651,369	10,735,606

(b) Financial instruments subject to offsetting, enforceable master netting arrangements and similar agreements

Financial assets

Type of financial asset	Gross amounts of recognised financial assets RMB'000	Gross amounts of recognised financial liabilities set off in the statements of financial position RMB'000	Net amounts of financial assets presented in the statements of financial position RMB'000
-------------------------	---	--	--

GROUP

2020

Non-trade amounts due from non-controlling shareholders of subsidiaries	6,956,811	(11,328)	6,945,483
---	-----------	----------	-----------

2019

Non-trade amounts due from non-controlling shareholders of subsidiaries	6,412,622	(12,157)	6,400,465
---	-----------	----------	-----------

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2020

4 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL RISK MANAGEMENT (Cont'd)

- (b) Financial instruments subject to offsetting, enforceable master netting arrangements and similar agreements (Cont'd)

Financial liabilities

Type of financial liability	Gross amounts of recognised financial liabilities RMB'000	Gross amounts of recognised financial assets set off in the statements of financial position RMB'000	Net amounts of financial liabilities presented in the statements of financial position RMB'000
-----------------------------	--	---	---

GROUP

2020

Non-trade amounts due from non-controlling shareholders of subsidiaries	2,341,083	(11,328)	2,329,755
---	-----------	----------	-----------

2019

Non-trade amounts due from non-controlling shareholders of subsidiaries	498,052	(12,157)	485,895
---	---------	----------	---------

In reconciling the 'Net amounts of financial assets and financial liabilities presented in the statements of financial position' to the line item amounts presented in the consolidated statement of financial position, the above amounts represent only those which are subject to offsetting, enforceable master netting arrangements and similar agreements.

The Group and the Company do not have any related amounts subject to enforceable master netting arrangements and similar arrangements which have not been set off in the statements of financial position.

- (c) Financial risk management policies and objectives

Management of the Group monitors and manages the financial risks relating to the operations of the Group to ensure appropriate measures are implemented in a timely and effective manner. These risks include market risk (foreign exchange risk, interest rate risk, equity price risk), credit risk and liquidity risk.

There has been no change to the Group's exposure to these financial risks or the manner in which it manages and measures the risks. Market risk exposures are measured using sensitivity analysis indicated below.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2020

4 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL RISK MANAGEMENT (Cont'd)

(c) Financial risk management policies and objectives (Cont'd)

(i) Foreign exchange risk management

The Group enters into transactions in various foreign currencies, including the United States dollar ("US dollar", "US\$"), Hong Kong dollar ("HK dollar", "HK\$"), Singapore dollar ("SG dollar", "S\$") and RMB and therefore is exposed to foreign exchange risk.

At the end of the reporting period, the carrying amounts of monetary assets and monetary liabilities denominated in currencies other than the respective entities' functional currencies are as follows:

	GROUP				COMPANY			
	Liabilities		Assets		Liabilities		Assets	
	2020 RMB'000	2019 RMB'000	2020 RMB'000	2019 RMB'000	2020 RMB'000	2019 RMB'000	2020 RMB'000	2019 RMB'000
US dollar	323,227	493,583	69,192	42,180	—	—	52	122
HK dollar	527,491	561,587	395,385	7,076	—	—	181	625
SG dollar	—	256,630	11,508,973	10,641,928	—	—	—	—
RMB	943,947	928,078	3,154,737	3,521,388	—	—	150	170

Foreign currency sensitivity

The following table details the sensitivity to a 3% increase in the exchange rate of the functional currency of each entity of the Group against the relevant foreign currencies. 3% is the sensitivity rate used by key management personnel in assessing foreign currency risk. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the year end for a 3% change in foreign currency rates. The sensitivity analysis includes external loans, cash and cash equivalents, as well as intercompany loans within the Group where they gave rise to an impact on the Group's profit or loss and / or equity. A positive number below indicates an increase in profit before income tax and other equity when the functional currency of each group entity strengthens by 3% against the relevant foreign currencies.

For a 3% weakening of the functional currency of each group entity against the relevant foreign currencies, there would be an equal and opposite impact on the profit before income tax and other equity.

	US dollar impact		HK dollar impact		SG dollar impact		RMB impact	
	2020 RMB'000	2019 RMB'000	2020 RMB'000	2019 RMB'000	2020 RMB'000	2019 RMB'000	2020 RMB'000	2019 RMB'000

GROUP

Increase (Decrease) in profit before income tax	7,399	13,148	3,848	16,151	(153)	(549)	(856)	(380)
(Decrease) Increase in other equity	—	—	—	—	(335,060)	(301,935)	(63,536)	(75,153)

COMPANY

(Decrease) Increase in profit before income tax	(2)	(4)	(5)	(18)	—	—	(4)	(5)
---	-----	-----	-----	------	---	---	-----	-----

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2020

4 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL RISK MANAGEMENT (Cont'd)

(c) Financial risk management policies and objectives (Cont'd)

(ii) Interest rate risk management

Summary quantitative data of the Group's interest-bearing financial instruments can be found in Section (v) of this Note. The Group's policy is to obtain fixed rate borrowings to reduce volatility. However, it may borrow at variable rates when considered economical to do so.

Interest rate sensitivity

The sensitivity analysis below has been determined based on the exposure to interest rates for non-derivative instruments at the end of the reporting period and the stipulated change taking place at the beginning of the financial year and held constant throughout the reporting year in the case of instruments that have floating rates.

If interest rates had been 100 basis points higher or lower and all other variables were held constant, the Group's:

- Interest expense for the year ended December 31, 2020 would increase / decrease respectively by RMB281 million (2019 : increase / decrease respectively by RMB285 million).
- It is the Group's accounting policy to capitalise borrowing costs relevant to property development as required by the standard. Hence, the above mentioned interest rate fluctuation may not fully impact the profit in the year where interest expense is incurred and capitalised but may affect profit in future financial years.

(iii) Equity price risk management

Financial assets designated as at FVTOCI are held for strategic rather than trading purposes. The Group does not actively trade financial assets designated as at FVTOCI.

Management is of the view that the equity price risk is not significant for the Group due to the relatively small amount of such investments carried. Hence no price sensitivity analysis is presented.

(iv) Credit risk management

Credit risk refers to the risk that a counterparty may default on its contractual obligations resulting in financial loss to the Group arising from the carrying amount of the respective recognised financial assets as stated in the statements of financial position. The Group has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral where appropriate, as a means of mitigating the risk of financial loss from defaults.

For sales of properties in the PRC, the Group requires advanced payment by the customers upon entering into sales agreement, and sales proceeds are fully settled concurrent with delivery of properties. For sales of properties in Singapore, the Group usually includes a standard payment schedule on the sales proceeds. For leasing of properties, advanced payments by the tenants are required prior to the commencement of the lease term.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2020

4 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL RISK MANAGEMENT (Cont'd)

(c) Financial risk management policies and objectives (Cont'd)

(iv) Credit risk management (Cont'd)

The Group does not have any significant credit risk exposure to any single counterparty or any group of counterparties having similar characteristics, except for non-trade amounts due from certain associates, joint ventures and non-controlling shareholders of subsidiaries. The counterparties are engaged in property development projects with strong financial position and sufficient future cash flows. Part of the amounts due from non-controlling shareholders of subsidiaries are secured by undistributed retained earnings of the subsidiaries yet to be distributed as dividends and future earnings that are expected to be distributed by the subsidiaries to the non-controlling shareholders (Note 13). Information on credit risk relating to other receivables are disclosed in Note 14. The credit risk on cash and cash equivalents is limited because the counterparties are banks with high credit-ratings assigned by international credit rating agencies.

In order to minimise credit risk, management of the Group has delegated a team to develop and maintain the Group's credit risk grading to categorise exposures according to their degree of risk of default. The team uses publicly available financial information and the Group's own historical repayment records to rate its major customers and debtors. The Group's exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties.

The Group's current credit risk grading framework comprises the following categories:

Category	Description	Basis for recognising ECL
Performing	The counterparty has a low risk of default and does not have any past-due amounts.	12m ECL
Doubtful	There has been a significant increase in credit risk since initial recognition.	Lifetime ECL-not credit-impaired
In default	There is evidence indicating the asset is credit-impaired.	Lifetime ECL-credit-impaired
Write-off	There is evidence indicating that the debtor is in severe financial difficulty and the Group has no realistic prospect of recovery.	Amount is written off

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2020

4 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL RISK MANAGEMENT (Cont'd)

(c) Financial risk management policies and objectives (Cont'd)

(iv) Credit risk management (Cont'd)

The Group has considered the consistently low historical default rate, financial position, property development plan and cash flow projection, as well as pledge of assets of the counterparties and collateral value of the assets, equity interests, undistributed retained earnings in these entities and expected future earnings that would be distributed by the entities in connection with non-trade amounts due from associates, joint ventures and non-controlling shareholders of subsidiaries, and concluded that credit risk inherent in the Group's outstanding other receivables and non-trade amounts due from associates, joint ventures, non-controlling shareholders of subsidiaries and other related parties and financial guarantee contracts is insignificant. Management of the Group has assessed the internal credit rating of these other receivables and non-trade amounts due from associates, joint ventures, non-controlling shareholders of subsidiaries and other related parties and financial guarantee contracts to be performing considering that they have not had a significant increase in credit risk since initial recognition and risk of default is insignificant, and therefore, no impairment has been recognised.

As at December 31, 2020, the Group's maximum exposure to credit risk comprise (i) the sum of the carrying amounts of financial assets recorded in the financial statements, grossed up for any allowances for losses; (ii) guarantees of approximately RMB13.159 billion (2019 : RMB6.502 billion) to banks for the benefit of the Group's customers in respect of mortgage loans provided by the banks to these customers for the purchase of the Group's development properties; and (iii) guarantees of approximately RMB2.412 billion (2019 : RMB14.334 billion to banks and other lenders in respect of bank and other borrowings to joint ventures and associates), as elaborated in Note 38 to the financial statements.

(v) Liquidity risk management

The Group maintains cash and cash equivalents, obtains external bank and other borrowings and issues senior notes with staggered repayment dates. The Group also minimises liquidity risk by keeping committed credit lines available. As at December 31, 2020, the Group had available RMB8.533 billion (2019 : RMB5.884 billion) of undrawn committed bank and other credit facilities in respect of which all conditions precedent had been met.

In managing liquidity risk, management prepares cash flow forecasts using various assumptions and monitors the cash flows of the Group.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2020

4 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL RISK MANAGEMENT (Cont'd)

(c) Financial risk management policies and objectives (Cont'd)

(v) Liquidity risk management (Cont'd)

Liquidity and interest risk analyses

Non-derivative financial liabilities

The following tables detail the remaining contractual maturity for non-derivative financial liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group and Company can be required to pay. The table includes both interest and principal cash flows. The adjustment column represents the estimated future interest attributable to the instrument included in the maturity analysis which is not included in the carrying amount of the financial liabilities on the statement of financial position.

	Weighted average effective interest rate %	On demand or within 1 year 1 year	More than 1 year to 2 years 2 years	More than 2 years to 5 years 5 years	More than 5 years 5 years	Adjustments RMB'000	Total RMB'000
GROUP							
2020							
Non-interest bearing	–	20,456,540	802,180	39,964	–	–	21,298,684
Variable interest rate instruments	4.5	6,238,703	8,670,998	12,209,660	5,636,755	(4,942,730)	27,813,386
Fixed interest rate instruments	5.9	8,354,047	5,209,458	8,380,068	116,356	(1,233,594)	20,826,335
Total		35,049,290	14,682,636	20,629,692	5,753,111	(6,176,324)	69,938,405
2019							
Non-interest bearing	–	17,928,498	477,282	168,790	–	–	18,574,570
Variable interest rate instruments	4.9	10,070,294	7,666,565	8,816,396	7,497,315	(5,604,864)	28,445,706
Fixed interest rate instruments	6.6	8,288,016	1,832,702	12,651,471	137,628	(3,075,208)	19,834,609
Total		36,286,808	9,976,549	21,636,657	7,634,943	(8,680,072)	66,854,885

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2020

4 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL RISK MANAGEMENT (Cont'd)

(c) Financial risk management policies and objectives (Cont'd)

(v) Liquidity risk management (Cont'd)

	Weighted average effective interest rate %	On demand or within 1 year RMB'000	More than 1 year to 2 years RMB'000	More than 2 years to 5 years RMB'000	More than 5 years RMB'000	Total RMB'000
COMPANY						
2020						
Non-interest bearing	-	11,651,369	-	-	-	11,651,369
2019						
Non-interest bearing	-	10,735,606	-	-	-	10,735,606

The following table detail the earliest period that the guarantees could be called.

	On demand or within 1 year RMB'000	More than 1 year to 2 years RMB'000	More than 2 years to 5 years RMB'000	More than 5 years RMB'000	Total RMB'000
2020	13,158,560	1,665,000	737,000	10,000	15,570,560
2019	7,731,694	-	4,604,000	8,500,000	20,835,694

As mentioned in Note 38, management considers that the likelihood of these guarantees being called upon is low.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2020

4 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL RISK MANAGEMENT (Cont'd)

(c) Financial risk management policies and objectives (Cont'd)

(v) Liquidity risk management (Cont'd)

Non-derivative financial assets

The following tables detail the remaining contractual maturity for non-derivative financial assets. The tables below have been drawn up based on the undiscounted contractual maturities of the financial assets including interest that the cash flows will occur in a different period.

GROUP	Weighted average effective interest rate %	On demand or within 1 year RMB'000	More than 1 year to 2 years RMB'000	More than 2 years to 5 years RMB'000	Adjustments RMB'000	Total RMB'000
2020						
Non-interest bearing	-	27,282,236	5,422,571	380,086	-	33,084,893
Fixed interest rate instruments	6.2	12,479,561	975,112	472,321	(953,460)	12,973,534
Total		39,761,797	6,397,683	852,407	(953,460)	46,058,427
2019						
Non-interest bearing	-	24,263,746	3,280,836	1,509,932	-	29,054,514
Fixed interest rate instruments	5.6	10,023,809	918,400	1,565,362	(896,200)	11,611,371
Total		34,287,555	4,199,236	3,075,294	(896,200)	40,665,885

As at December 31, 2020, the Company's non-derivative financial assets are mainly non-interest bearing with expected maturity within 1 year (2019 : 1 year).

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2020

4 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL RISK MANAGEMENT (Cont'd)

(c) Financial risk management policies and objectives (Cont'd)

(vi) *Fair value of financial assets and financial liabilities*

The Group determines fair values of various financial assets and financial liabilities in the following manner:

Fair value of the Group's financial assets and financial liabilities that are measured at fair value on a recurring basis

Some of the Group's financial assets and financial liabilities are measured at fair value at the end of each reporting period. The following table gives information about how the fair values of these financial assets and financial liabilities are determined.

Financial assets / (liabilities)	Fair value as at December 31,		Fair value hierarchy	Valuation technique(s) and key input(s)	Significant unobservable input(s)	Relationship of unobservable inputs to fair value
	2020 RMB'000	2019 RMB'000				
GROUP						
Put liabilities to acquire non-controlling interests	(1,491,860)	(1,152,770)	Level 3	Discounted cash flows. Future cash flows are estimated based on the present value of expected payment, discounted using the entity's cost of debt. The expected payment is determined by considering the fair value at the time of exit.	Cost of debt with tenure of 0.7 and 1.5 years at 5.3% and 9.0% per annum respectively (2019 : 0.5 year at 9.0% per annum)	A slight increase in the cost of debt used in isolation will result in a decrease in the fair value ⁽¹⁾

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2020

4 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL RISK MANAGEMENT (Cont'd)

(c) Financial risk management policies and objectives (Cont'd)

(vi) Fair value of financial assets and financial liabilities (Cont'd)

Financial assets / (liabilities)	Fair value as at December 31,		Fair value hierarchy	Valuation technique(s) and key input(s)	Significant unobservable input(s)	Relationship of unobservable inputs to fair value
	2020 RMB'000	2019 RMB'000				
GROUP						
Financial assets at FVTOCI	10,712	66,469	Level 3	Net asset value of the investees.	Net asset value	The higher the net asset value, the higher the fair value
	120,000	120,000	Level 3	Income approach – in this approach, the discounted cash flows method was used to capture the present value of the expected future economic benefits to be derived from the ownership of this investee.	Discount rate of 10.1% (2019 : 9.6%) per annum using a Capital Asset Pricing Model	A slight increase in the discount rate used in isolation will result in a decrease in the fair value ⁽²⁾
	151,941	–	Level 3	Quoted bid prices of the investment and carrying value of other net assets held by this investee.	Quoted bid prices of the investment and carrying value of other net assets held by this investee	The higher the quoted bid prices of the investment and carrying value of other net assets, the higher the fair value
	100,423	133,789	Level 1	Quoted bid prices in an active market.	Not applicable	Not applicable

⁽¹⁾ As at December 31, 2020, a 100 basis points increase / decrease in cost of debt used as discount rate while holding all other variables constant would decrease / increase the carrying amount of put liabilities to acquire non-controlling interests by RMB7 million (2019 : RMB5 million).

⁽²⁾ As at December 31, 2020, a 100 basis points increase in the discount rate while holding all other variables constant would decrease the fair value of this financial asset at FVTOCI by RMB11 million (2019 : RMB11 million), while a 100 basis points decrease in the discount rate would increase the fair value of financial asset at FVTOCI by RMB13 million (2019 : RMB8 million).

There were no transfers between Level 1, Level 2 and Level 3 of the fair value hierarchy during the year. Fair value changes recognised in other comprehensive income during the year is RMB63,322,000 (2019 : RMB202,000).

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2020

4 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL RISK MANAGEMENT (Cont'd)

(c) Financial risk management policies and objectives (Cont'd)

(vi) Fair value of financial assets and financial liabilities (Cont'd)

Reconciliation of Level 3 fair value measurement

GROUP	Put liabilities to acquire non-controlling interests RMB'000	Financial assets at FVTOCI RMB'000	Total RMB'000
At January 1, 2019	(1,320,733)	175,923	(1,144,810)
Acquisition of subsidiaries	–	10,522	10,522
Total gains or losses			
– In profit or loss	167,963	–	167,963
– In other comprehensive income	–	61	61
Exchange difference	–	(37)	(37)
At December 31, 2019	(1,152,770)	186,469	(966,301)
Addition	(1,158,480)	–	(1,158,480)
Repayment of liability	818,140	–	818,140
Total gains or losses			
– In profit or loss	1,250	–	1,250
– In other comprehensive income	–	96,610	96,610
Exchange difference	–	(426)	(426)
At December 31, 2020	(1,491,860)	282,653	(1,209,207)

Fair value of the Group's financial assets and financial liabilities that are not measured at fair value on a recurring basis (but fair value disclosures are required)

Except as detailed in the following table, management considers that the carrying amounts of financial assets and financial liabilities of the Group recorded at amortised cost in the financial statements approximate their fair values:

GROUP	2020		2019	
	Carrying amount RMB'000	Fair Value RMB'000	Carrying amount RMB'000	Fair value RMB'000

GROUP

Financial liabilities

Senior notes	8,008,097	8,376,600	9,080,931	9,335,013
--------------	------------------	------------------	-----------	-----------

The Group's senior notes at the end of the reporting period were under Level 2 fair value hierarchy.

The carrying amounts of financial assets and financial liabilities of the Company recorded at amortised cost approximate their fair value due to their short-term maturity.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2020

4 FINANCIAL INSTRUMENTS, FINANCIAL RISKS AND CAPITAL RISK MANAGEMENT (Cont'd)

(d) Capital risk management policies and objectives

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the debt and equity balance.

The Group monitors capital on the basis of the net debt to equity ratio. This ratio is calculated as total debt less cash and cash equivalents divided by equity. Total debt includes bank and other borrowings, senior notes and certain non-trade amounts due to non-controlling shareholders of subsidiaries. Equity for this purpose comprises equity attributable to owners of the Company, comprising issued capital, reserves and accumulated profits, as well as non-controlling interests as shown in the consolidated statement of financial position.

The net debt to equity ratios as at the end of the reporting period were as follows:

	GROUP	
	2020 RMB'000	2019 RMB'000
Total debt	42,881,923	45,770,426
Cash and cash equivalents	(17,199,902)	(13,817,589)
Net debt	25,682,021	31,952,837
Equity	40,617,565	39,907,254
Net debt to equity ratio	63.2%	80.1%

The Group's overall strategy remains unchanged from 2019. In addition, the Group also specifically monitors the financial ratios of its debt covenants stated in the agreements in respect of senior notes issued by its subsidiaries and borrowings with the financial institutions providing the facilities to the Group. As at the end of the reporting period, the Group is in compliance with externally imposed financial covenants requirements.

5 HOLDING COMPANY AND RELATED COMPANY TRANSACTIONS

The Company is a subsidiary of Yanlord Holdings Pte. Ltd., incorporated in the Republic of Singapore, which is also the Company's immediate and ultimate holding company. Related companies in these financial statements refer to members of the holding company's group of companies.

Transactions between the Company and its subsidiaries, which are related companies of the Company, have been eliminated on consolidation and are not disclosed in this note. The intercompany balances are unsecured, interest-free and repayable on demand unless otherwise stated.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2020

6 OTHER RELATED PARTY TRANSACTIONS

Some of the Group's transactions and arrangements are with related parties and the effect of these on the basis determined between the parties is reflected in these financial statements. The balances with related parties (including non-trade amounts due from / to associates, joint ventures, directors and other related parties) are unsecured, interest-free and repayable on demand unless otherwise stated.

During the year, the Group entered into the following transactions with related parties:

	GROUP	
	2020 RMB'000	2019 RMB'000
Sales of properties to key management personnel and close members of their families	10,905	171,675
Interest income from associates	48,919	122,582
Interest income from joint ventures	274,380	318,567
Other income from associates	70,468	64,946
Other income from joint ventures	138,998	150,275
Other income from related party	5,176	–
Development cost to joint ventures	4,362	–
Interest expense to associates	–	1,140
Interest expense to joint ventures	101,431	39,001
Other expense to joint ventures	5,222	–

As at the end of the reporting period, the Group recognised right-of-use assets and corresponding liabilities in respect of leases of land and buildings for the office premises and staff accommodation from a director and a company in which the director has control over, amounting to RMB2 million and RMB2 million (2019 : amounting to RMB14 million and RMB15 million) respectively. The depreciation of the right-of-use assets and interest expenses associated with the lease liabilities recognised in the profit or loss are RMB12 million and RMB0.4 million (2019 : RMB12 million and RMB0.6 million) respectively. The Group has contracted with a joint venture for future minimum lease receipts of RMB1.403 billion (2019 : RMB Nil).

At the end of the reporting period, the Group has pre-sales of properties totaling RMB42 million (2019 : RMB13 million) to key management and close members of their families. As at December 31, 2020, advances amounting to RMB20 million (2019 : RMB9 million) have been received from key management and close members of their families in relation to the pre-sales of properties.

Compensation of directors and key management personnel

The remuneration of directors and other members of key management during the year was as follows:

	GROUP	
	2020 RMB'000	2019 RMB'000
Short-term benefits	103,995	97,264
Post-employment benefits	1,239	1,625
	105,234	98,889

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2020

7 PROPERTY, PLANT AND EQUIPMENT

	Freehold / Long leasehold land and buildings RMB'000	Leasehold land and buildings RMB'000	Motor vehicles RMB'000	Furniture, fixtures and equipment RMB'000	Plant and machinery RMB'000	Construction- in-progress RMB'000	Total RMB'000
GROUP							
Cost:							
At January 1, 2019	–	3,058,179	97,329	237,550	–	147,916	3,540,974
Additions	479	28,618	4,378	43,260	4,622	52,262	133,619
Disposals	–	–	(4,554)	(5,504)	(1,216)	–	(11,274)
Transfer from investment properties (Note 8)	–	57,212	–	–	–	–	57,212
Transfer to completed properties for sales	–	(3,390)	–	–	–	–	(3,390)
Transfer from inventories	–	–	–	6,964	–	–	6,964
Acquisition of subsidiaries	198,434	264,286	1,523	70,453	209,966	–	744,662
Change of control from subsidiaries to joint ventures	–	(17,496)	(5,934)	(1,187)	–	–	(24,617)
Reclassification	(5)	191,467	–	8,364	5	(199,831)	–
Exchange difference	(2,665)	(2,206)	(402)	434	538	–	(4,301)
At December 31, 2019	196,243	3,576,670	92,340	360,334	213,915	347	4,439,849
Additions	10,970	1,896	3,206	26,056	32,901	3,452	78,481
Transfer from completed properties for sales	–	50,746	–	–	–	–	50,746
Transfer from inventories	–	–	–	5,528	–	–	5,528
Acquisition of subsidiaries	–	–	749	964	–	–	1,713
Change of control from subsidiaries to joint ventures	–	–	–	(189)	–	–	(189)
Disposal	–	–	(17,585)	(5,714)	(8,590)	–	(31,889)
Reclassification	(5,048)	8,712	(95)	(4,811)	1,589	(347)	–
Exchange difference	(10,968)	(9,955)	(270)	(1,611)	10,803	–	(12,001)
At December 31, 2020	191,197	3,628,069	78,345	380,557	250,618	3,452	4,532,238
Accumulated depreciation:							
At January 1, 2019	–	151,159	61,614	150,538	–	–	363,311
Depreciation for the year	1,489	128,480	7,824	25,171	4,572	–	167,536
Eliminated on disposals	–	–	(4,173)	(5,010)	(989)	–	(10,172)
Change of control from subsidiaries to joint ventures	–	(4,155)	(1,576)	(606)	–	–	(6,337)
Exchange difference	34	(1,292)	22	52	(3,516)	–	(4,700)
At December 31, 2019	1,523	274,192	63,711	170,145	67	–	509,638
Depreciation for the year	6,043	136,981	9,814	49,369	36,597	–	238,804
Eliminated on disposals	–	–	(15,917)	(5,493)	(6,989)	–	(28,399)
Change of control from subsidiaries to joint ventures	–	–	–	(72)	–	–	(72)
Reclassification	–	1,729	(227)	(1,502)	–	–	–
Exchange difference	(184)	(8,753)	(282)	7,550	964	–	(705)
At December 31, 2020	7,382	404,149	57,099	219,997	30,639	–	719,266
Carrying amount:							
At December 31, 2020	183,815	3,223,920	21,246	160,560	219,979	3,452	3,812,972
At December 31, 2019	194,720	3,302,478	28,629	190,189	213,848	347	3,930,211

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2020

7 PROPERTY, PLANT AND EQUIPMENT (Cont'd)

In 2020, depreciation for the year includes an amount of RMB2 million (2019 : RMB3 million) capitalised in the Group's properties for development and properties under development for sale. The carrying amounts of freehold land and buildings, leasehold land and buildings and motor vehicles pledged to banks and other lenders to secure bank and other borrowings are disclosed in Note 21.

8 INVESTMENT PROPERTIES

	GROUP	
	2020 RMB'000	2019 RMB'000
At fair value:		
Balance as at beginning of year	27,942,862	14,567,640
Additions	860,345	171,830
Change in fair value	1,119,581	1,876,482
Disposals	(1,420)	(1,382)
Acquisition of subsidiaries	–	10,333,598
Transfer to property, plant and equipment (Note 7)	–	(57,212)
Transfer from properties under development for sale	624,894	1,059,999
Transfer from completed properties for sale	–	30,772
Exchange difference	(456,695)	(38,865)
Balance as at end of year	30,089,567	27,942,862

The fair value of investment properties at December 31, 2020 and 2019 have been determined on the basis of valuations carried out at the respective year end dates by independent valuers having recognised professional qualification and recent experience in the location and category of the properties being valued, and not related to the Group.

The fair value was determined based on the direct comparison approach that reflects recent transaction prices or current asking prices for similar properties, the income capitalisation approach where the market rentals of all lettable units of the properties are assessed by reference to the rentals achieved in the lettable units as well as other lettings of similar properties in the neighbourhood and the residual approach whereby the fair value is determined by taking into consideration the projected total development value, costs incurred, expected cost to completion and developer's profit. The capitalisation rate adopted is made by reference to the yield rates observed by the valuers for similar properties in the locality and adjusted based on the valuers' knowledge of the factors specific to the respective properties. In estimating the fair value of the properties, the highest and best use of the properties is their current use. There has been no change to the valuation technique during the year, other than investment properties under construction.

The Group's investment properties at the end of the reporting period were under Level 3 fair value hierarchy. There were no transfers into or out of Level 3 during the year.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2020

8 INVESTMENT PROPERTIES (Cont'd)

The following table shows the significant unobservable inputs used in the valuation model:

Description	Fair value as at December 31 RMB'000	Valuation technique(s)	Significant unobservable input(s)	Range
<u>2020</u>				
Completed investment properties	23,589,607 ⁽¹⁾	Direct comparison approach	price per square metre ⁽²⁾	RMB11,703 – RMB198,311
		Income capitalisation approach	market rent per square metre per month ⁽²⁾	RMB26 – RMB409
			capitalisation rate ⁽³⁾	2.8% – 7.3%
Car parking spaces	1,511,960	Direct comparison approach	price per unit ⁽²⁾	RMB117,500 – RMB339,827
Investment properties under construction	4,988,000	Residual approach	price per square metre ⁽²⁾	RMB24,323 – RMB39,738
			price per carpark unit ⁽²⁾	RMB150,000
		Direct comparison approach ⁽⁴⁾	price per square metre ⁽²⁾	RMB14,508
	<u>30,089,567</u>			
<u>2019</u>				
Completed investment properties	21,816,048 ⁽¹⁾	Direct comparison approach	price per square metre ⁽²⁾	RMB11,767 – RMB186,818
		Income capitalisation approach	market rent per square metre per month ⁽²⁾	RMB26 – RMB428
			capitalisation rate ⁽³⁾	2.8% – 7.3%
Car parking spaces	980,814	Direct comparison approach	price per unit ⁽²⁾	RMB118,500 – RMB339,827
Investment properties under construction	5,146,000	Residual approach	price per square metre ⁽²⁾	RMB13,048 – RMB33,206
		Residual approach	price per carpark unit ⁽²⁾	RMB270,000
	<u>27,942,862</u>			

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2020

8 INVESTMENT PROPERTIES (Cont'd)

- (1) Some of the properties were based on either the Direct Comparison Approach ("DCA"), or the Income Capitalisation Approach ("ICA"), and the other properties were based on the combined approach of DCA and ICA.
- (2) Any significant isolated increases (decreases) in these inputs would result in a significantly higher (lower) fair value measurement.
- (3) Any significant isolated increases (decreases) in these inputs would result in a significantly lower (higher) fair value measurement.
- (4) The valuation of investment property at an early development stage has been arrived at by direct comparison approach that reflects recent transaction prices for similar land and adjusted by incurred construction cost.

The carrying amounts of investment properties pledged to banks and other lenders to secure the bank and other borrowings granted to the Group are disclosed in Note 21.

The rental income earned by the Group from its investment properties amounted to RMB804 million (2019 : RMB505 million). Direct operating expenses arising on the investment properties in the year amounted to RMB30 million (2019 : RMB25 million).

9 PROPERTIES FOR DEVELOPMENT / COMPLETED PROPERTIES FOR SALE / PROPERTIES UNDER DEVELOPMENT FOR SALE

	GROUP	
	2020 RMB'000	2019 RMB'000
At cost:		
Properties for development (Non-current assets)	7,321,261	10,240,138
Completed properties for sale (Current assets)	9,689,284	7,495,094
Properties under development for sale (Current assets)	34,918,072	25,484,907
	51,928,617	43,220,139

Properties for development, completed properties for sale and properties under development for sale are located in the PRC, Singapore and Malaysia.

Up to the end of the reporting period, total interest capitalised is as follows:

	GROUP	
	2020 RMB'000	2019 RMB'000
Properties for development	775,005	667,264
Completed properties for sale	888,545	517,477
Properties under development for sale	2,416,150	2,398,482

The carrying amounts of properties pledged to banks and other lenders to secure bank and other borrowings granted to the Group are disclosed in Note 21.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2020

10 INVESTMENTS IN SUBSIDIARIES

	COMPANY	
	2020 RMB'000	2019 RMB'000
Unquoted equity shares, at cost	13,349,035	13,974,340

Details of the Company's significant subsidiaries are as follows:

Name of subsidiary	Place of incorporation (or residence)	Proportion of ownership interest and voting power held		Principal activities
		2020 %	2019 %	

Held by the Company

Yanlord Commercial Property Investments Pte. Ltd. ^(a) 仁恒商业地产投资有限公司	Singapore	100	100	Investment holding
Yanlord Land Pte. Ltd. ^(a) 仁恒置地有限公司	Singapore	100	100	Investment holding
Yanlord Land (HK) Co., Limited ^(b) 仁恒地产(香港)有限公司	Hong Kong	100	100	Management services

Held by Yanlord Commercial Property Investments Pte. Ltd. and its subsidiaries

McAlister and Company, Limited ^(a)	Singapore	100	85	Investment holding and provision of management services
O'Connor's Holdings Pte Ltd ^(a)	Singapore	99	89	Investment holding
O'Connor's Singapore Pte Ltd ^(a)	Singapore	99	89	System integrator and value-added reseller of security, telecommunication, scientific and medical systems
O'Connor's Technology Pte. Ltd. ^(a)	Singapore	99	89	Dormant
Puffersoft Labs Pte. Ltd. ^(a)	Singapore	80	71	Dormant
Shenyang Summer Palace Pte. Ltd. ^(a)	Singapore	99	89	Investment holding
Speedling Investment Pte Ltd ^(a)	Singapore	99	89	Investment holding
UE Centennial Venture Pte. Ltd. ^(a)	Singapore	100	85	Investment holding

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2020

10 INVESTMENTS IN SUBSIDIARIES (Cont'd)

Name of subsidiary	Place of incorporation (or residence)	Proportion of ownership interest and voting power held		Principal activities
		2020 %	2019 %	
<u>Held by Yanlord Commercial Property Investments Pte. Ltd. and its subsidiaries (Cont'd)</u>				
UE Dairy Farm Pte. Ltd. ^(a)	Singapore	100	85	Property development and leasing
UE Development (Alexandra) Pte. Ltd. ^(a)	Singapore	100	85	Property development and leasing
UE Development (Anson) Pte. Ltd. ^(a)	Singapore	100	85	Property development and leasing
UE Development (Bendemeer) Pte. Ltd. ^(a)	Singapore	100	85	Property development
UE One-North Developments Pte. Ltd. ^(a)	Singapore	100	85	Property development and leasing
UE Park Avenue (China) Pte. Ltd. ⁽³⁾	Singapore	100	–	Investment holding
UE Park Avenue International Pte. Ltd. ^(a)	Singapore	100	85	Hotel management services
UE Support Services Pte Ltd ^(a)	Singapore	100	85	Management services
UE Trade Corporation Pte Ltd ^(a)	Singapore	100	85	Investment holding
UE UMC Pte. Ltd. ^(a)	Singapore	100	85	Investment holding
UE Ville Developments Pte Ltd ^(a)	Singapore	100	85	Property development and leasing
UED Alpha Pte. Ltd. ^(a)	Singapore	100	85	Property development and leasing
United Engineers Developments Pte Ltd ^(a)	Singapore	100	85	Property facilities management and leasing
United Engineers Limited ^(a)	Singapore	100	85	Investment holding
United WBL Technology Pte. Ltd. ^(a)	Singapore	100	87	Investment holding
WBL Corporation Limited ^(a)	Singapore	99	89	Investment holding and provision of management services to related companies
WBL Properties (Private) Limited ^(a)	Singapore	99	89	Investment holding
WBL Services (Private) Limited ^(a)	Singapore	99	89	Provision of management and financial services to related companies

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2020

10 INVESTMENTS IN SUBSIDIARIES (Cont'd)

Name of subsidiary	Place of incorporation (or residence)	Proportion of ownership interest and voting power held		Principal activities
		2020 %	2019 %	
<u>Held by Yanlord Commercial Property Investments Pte. Ltd. and its subsidiaries (Cont'd)</u>				
WBL Properties (China) (Private) Limited ^(a)	Singapore	99	89	Investment holding and provision of management services to related companies
WBL Engineering & Distribution Pte. Ltd. ^(a)	Singapore	99	89	Supply and installation of building materials, industrial laundry and automotive parts and equipment
WBL Hollingsworth Singapore Pte. Ltd. ^(a)	Singapore	80	70	Investment holding
WBL International (1994) Limited ^(a)	Singapore	99	89	Investment holding
WBL Precision (Private) Limited ^(a)	Singapore	99	89	Investment holding
WBL Technology (Private) Limited ^(a)	Singapore	99	89	Investment holding
Yanlord Investment (Singapore) Pte. Ltd. ^(a) 仁恒投资(新加坡)有限公司	Singapore	100	100	Investment holding
Yanlord Singapore Office Pte. Ltd. ^(b)	Singapore	100	100	Investment holding
Yanlord Singapore Retail Pte. Ltd. ^(b)	Singapore	100	100	Investment holding
Far East Motors Malaysia Sendirian Berhad ^(c)	Malaysia	99	89	Dormant
Kumpulan O'Connor's (Malaysia) Sdn. Bhd. ^(c)	Malaysia	99	89	Investment holding
McAlister Engineering Sdn. Bhd. ⁽⁵⁾	Malaysia	—	85	Struck off
O'Connor's Engineering Sdn. Bhd. ^(c)	Malaysia	99	89	Supply, delivery, testing and commissioning of telecommunication, stage rigging system, audio-visual, studio projection and lighting equipment, data communication, card access and security systems, and after-sales service

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2020

10 INVESTMENTS IN SUBSIDIARIES (Cont'd)

Name of subsidiary	Place of incorporation (or residence)	Proportion of ownership interest and voting power held		Principal activities
		2020 %	2019 %	
<u>Held by Yanlord Commercial Property Investments Pte. Ltd. and its subsidiaries (Cont'd)</u>				
O'Connor's Technologies Sdn. Bhd. ^(c)	Malaysia	99	89	Supply, delivery, testing and commissioning of telecommunication equipment and after-sales service
Peninsular Smart Sdn. Bhd. ^(c)	Malaysia	100	85	Property owner and property developer
UED Developments (M) Sdn. Bhd. ^(c)	Malaysia	100	85	Civil, electrical, mechanical engineers and contractors
WPSY (Malaysia) Sdn. Bhd. ^(c)	Malaysia	99	89	Dormant
O'Connor's (B) Sdn Bhd ^(a)	Brunei	99	89	In the process of striking off
UE Myanmar Limited ^(a)	Myanmar	100	85	Dormant
UE Trade Corporation (India) Private Limited ^(a)	India	100	85	Dormant
WBL (Hong Kong) Limited ^(a)	Hong Kong	99	89	Investment holding
Chengdu Huaxin International Realty Co., Ltd. ^(b)	PRC	99	89	Property development
Chengdu WBL UEST New Tech Co., Ltd. ^(a)	PRC	84	75	Production of bio-electronic products
Kunming Speedling Co., Ltd. ^(a)	PRC	89	80	Under liquidation
Shanghai WBL Enterprise Management Co., Ltd. ^(a)	PRC	99	89	Dormant
Shenyang Huaxin International City Development Co., Ltd. ^(a)	PRC	99	89	Property development
Shenyang Huaxin International Realty Co., Ltd. ^(a)	PRC	99	89	Property development
Shenyang Summer Palace Property Development Co., Ltd. ^(b)	PRC	99	89	Property development

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2020

10 INVESTMENTS IN SUBSIDIARIES (Cont'd)

Name of subsidiary	Place of incorporation (or residence)	Proportion of ownership interest and voting power held		Principal activities
		2020 %	2019 %	
<u>Held by Yanlord Commercial Property Investments Pte. Ltd. and its subsidiaries (Cont'd)</u>				
Shenzhen Technology Development Corporation ^(a)	PRC	60	53	Dormant
Shenzhen Weko Biotechnology Limited ^(a)	PRC	89	80	Dormant
Suzhou Future Agriworld Co., Ltd. ^(a)	PRC	83	74	Agribusiness exhibition and trade emporium centre
Suzhou Wearnes Technology Co., Ltd. ^(a)	PRC	99	89	Investment holding
UE (Shanghai) Enterprise Management Co., Ltd. ^{(3) (a)}	PRC	100	–	Business management
WCSY Ltd ^(a)	PRC	99	89	Manufacture of electronic components
Wearnes Electronics Shenyang Ltd. ^(a)	PRC	81	71	Dormant
WPSY Ltd. ^(a)	PRC	99	89	Diecasting and precision engineering
WBL Technology (Shenyang) Ltd. ^(a)	PRC	79	71	Property investment
Yuan-Wearnes Technology (Changsha) Limited ^(a)	PRC	55	49	Dormant
Pacific Silica Pty Ltd ^(c)	Australia	73	65	Mineral sand mining
Cambion Electronics Limited ^(a)	United Kingdom	99	89	Manufacture of electronic connectors
Speedling, Incorporated ^(c)	United States of America	99	89	Transplant technology provider and production of seedlings
WBL (USA) Inc. ^(a)	United States of America	99	89	Investment holding

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2020

10 INVESTMENTS IN SUBSIDIARIES (Cont'd)

Name of subsidiary	Place of incorporation (or residence)	Proportion of ownership interest and voting power held		Principal activities
		2020 %	2019 %	
<u>Held by Yanlord Land Pte. Ltd. and its subsidiaries</u>				
Palovale Pte Ltd ^(a) 柏龙威有限公司	Singapore	67	67	Investment holding
Yanlord Property Pte. Ltd. ^(a) 仁恒地产有限公司	Singapore	100	100	Investment holding
Yanlord Real Estate Pte. Ltd. ^(a) 仁恒置业发展有限公司	Singapore	95	95	Investment holding
Yanlord Singapore Residential Pte. Ltd. ^(b)	Singapore	100	100	Investment holding
East Hero Investment Limited ^(b) 东亨投资有限公司	Hong Kong	100	100	Investment holding
Flourish Fair Limited ^(b) 茂艺有限公司	Hong Kong	80	80	Investment holding
Successful Global Consultancy Co., Limited ^(b) 成顺环球咨询有限公司	Hong Kong	100	100	Management services
Greens Investments Ltd. ^(b) 绿色投资有限公司	British Virgin Islands	100	100	Investment holding
Chongzhou Yanlord Land Co., Ltd. ^(b) 崇州仁恒置地有限公司	PRC	80	80	Property development
Chengdu Everrising Asset Management Co., Ltd. ^(b) 成都市恒业东升资产经营管理有限公司	PRC	100	51	Property development and investment
Chengdu Yanlord Investment Management Co., Ltd. ^(b) 成都仁恒投资管理有限公司	PRC	100	100	Management services and investment
Chengdu Yanlord Property Management Co., Ltd. ^(b) 成都仁恒物业管理有限公司	PRC	100	100	Property management

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2020

10 INVESTMENTS IN SUBSIDIARIES (Cont'd)

Name of subsidiary	Place of incorporation (or residence)	Proportion of ownership interest and voting power held		Principal activities
		2020 %	2019 %	
<u>Held by Yanlord Land Pte. Ltd. and its subsidiaries (Cont'd)</u>				
Xinfu Trade (Chengdu) Co., Ltd. ^(b) 信富商贸(成都)有限公司	PRC	100	100	Investment holding
Yanlord Hotel Management (Chengdu) Co., Ltd. ^(b) 仁恒酒店管理(成都)有限公司	PRC	100	100	Hotel and serviced apartment management
Yanlord Land (Chengdu) Co., Ltd. ^(b) 仁恒置地(成都)有限公司	PRC	100	100	Property development
Yanlord Real Estate (Chengdu) Co., Ltd. ^(b) 仁恒置业(成都)有限公司	PRC	70	70	Property development and management
Dongguan Herong Boyuan Property Development Co., Ltd. ^(b) 东莞市和融博源房地产开发有限公司	PRC	60	60	Property development and management
Guiyang Yanlord Property Management Co., Ltd. ^(b) 贵阳仁恒物业管理有限公司	PRC	100	100	Property management
Haikou Yanlord Property Co., Ltd. ^{(4)(b)} 海口仁恒房地产有限公司	PRC	—	100	Property development
Hainan Jinzhonghong Industrial Development Co., Ltd. ^(b) 海南金中鸿实业发展有限公司	PRC	51	51	Property development
Hainan Yanlord Property Service Co., Ltd. ^{(3)(b)} 海南仁恒物业服务有限公司	PRC	100	—	Property management
Hainan Yanlord Luqiao Investment Co., Ltd. ^(b) 海南仁恒陆侨投资有限公司	PRC	51	51	Property development
Yanlord Land (Hainan) Co., Ltd. ^(b) 仁恒置地(海南)有限公司	PRC	100	100	Investment holding

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2020

10 INVESTMENTS IN SUBSIDIARIES (Cont'd)

Name of subsidiary	Place of incorporation (or residence)	Proportion of ownership interest and voting power held		Principal activities
		2020 %	2019 %	
<u>Held by Yanlord Land Pte. Ltd. and its subsidiaries (Cont'd)</u>				
Yanlord (Hainan) Investment Co., Ltd. ^{(3) (b)} 仁恒(海南)投资有限公司	PRC	100	–	Property development
Hangzhou Kesheng Property Development Co., Ltd. ^{(1) (2) (b)} 杭州科昇房地产开发有限公司	PRC	30	–	Property development and management
Hangzhou Renan Property Co., Ltd. ^(b) 杭州仁安房地产有限公司	PRC	100	100	Property development
Hangzhou Renhui Property Development Co., Ltd. ^(b) 杭州仁惠房地产开发有限公司	PRC	100	100	Property development
Hangzhou Renrui Property Development Co., Ltd. ^{(4) (b)} 杭州仁睿房地产开发有限公司	PRC	–	100	Property development
Jinan Yanlord Property Services Co., Ltd. ^{(3) (b)} 济南仁恒物业服务有限公司	PRC	100	–	Property management
Jinan Yanlord Real Estate Co., Ltd. ^(b) 济南仁恒置业有限公司	PRC	100	100	Investment holding
Shandong Jigao Yanlord Property Service Co., Ltd. ^{(3) (b)} 山东济高仁恒物业服务有限公司	PRC	100	–	Property management
Nanjing Daji Real Estate Development Co., Ltd. ^(b) 南京大吉房地产开发有限公司	PRC	51	51	Property development
Nanjing Renan Property Development Co., Ltd. ^(b) 南京仁安房地产开发有限公司	PRC	51	–	Property development
Nanjing Renbei Property Development Co., Ltd. ^(b) 南京仁北房地产开发有限公司	PRC	70	70	Property development

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2020

10 INVESTMENTS IN SUBSIDIARIES (Cont'd)

Name of subsidiary	Place of incorporation (or residence)	Proportion of ownership interest and voting power held		Principal activities
		2020 %	2019 %	
<u>Held by Yanlord Land Pte. Ltd. and its subsidiaries (Cont'd)</u>				
Nanjing Renxing Enterprise Management Co., Ltd. ^(b) 南京仁兴企业管理有限公司	PRC	51	100	Business management
Nanjing Renyuan Investment Co., Ltd. ^(b) 南京仁远投资有限公司	PRC	100	100	Management services and investment
Nanjing Xinghuiheng Enterprise Management Co., Ltd. ^{(2)(8)(b)} 南京星绘恒企业管理有限公司	PRC	31	49	Business management
Nanjing Xingrenli Property Development Co., Ltd. ^{(2)(3)(8)(b)} 南京星仁力房地产开发有限公司	PRC	31	–	Property development
Nanjing Yanlord Commercial Management Co., Ltd. ^(b) 南京仁恒商业管理有限公司	PRC	100	100	Property development and investment
Nanjing Yanlord Construction Management Co., Ltd. ^(b) 南京仁恒建设管理有限公司	PRC	100	100	Project management
Nanjing Yanlord Enterprise Management Co., Ltd. ^(b) 南京仁恒企业管理有限公司	PRC	100	100	Investment holding
Nanjing Yanlord Hotel Management Co., Ltd. ^(b) 南京仁恒酒店管理有限公司	PRC	100	100	Hotel and serviced apartment management
Nanjing Yanlord Information Technology Co., Ltd. ^(b) 南京仁恒信息技术有限公司	PRC	100	100	Information technology
Nanjing Yanlord Jiangzhou Property Development Co., Ltd. ^(b) 南京仁恒江洲房地产开发有限公司	PRC	100	100	Property development and management

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2020

10 INVESTMENTS IN SUBSIDIARIES (Cont'd)

Name of subsidiary	Place of incorporation (or residence)	Proportion of ownership interest and voting power held		Principal activities
		2020 %	2019 %	
<u>Held by Yanlord Land Pte. Ltd. and its subsidiaries (Cont'd)</u>				
Nanjing Yanlord Property Management Co., Ltd. ^(b) 南京仁恒物业管理有限公司	PRC	100	100	Property management
Nanjing Yanlord Real Estate Co., Ltd. ^(b) 南京仁恒置业有限公司	PRC	100	100	Property development
Nanjing Yu Dian Landscape Development Co., Ltd. ^(b) 南京御典园林发展有限公司	PRC	80	80	Landscaping and gardening
Nanjing Yiyan Real Estate Co., Ltd. ^{(1)(2)(b)} 南京颐燕置业有限公司	PRC	50	–	Property development
Yanlord Cultural Tourism Development Co., Ltd. ^(b) 仁恒文旅发展有限公司	PRC	100	100	Tourism investment and asset management
Nantong Yanlord Intelligent Construction Hi-Tech Co., Ltd. ^(b) 南通仁恒智慧建筑科技有限公司	PRC	100	100	Construction engineering
Yanlord Land (Nantong) Co., Ltd. ^(b) 仁恒置地(南通)有限公司	PRC	60	60	Property development
Shenzhen Bantian Yanlord Investment and Development Co., Ltd. ^(b) 深圳市坂田仁恒投资发展有限公司	PRC	100	100	Property development
Shenzhen Dongguan Shengtai Investment Co., Ltd. ^(b) 深圳市东关盛泰投资有限公司	PRC	95	65	Property development
Shenzhen Hengming Commercial Co., Ltd. ^(b) 深圳市恒明商业有限公司	PRC	100	100	Property development

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2020

10 INVESTMENTS IN SUBSIDIARIES (Cont'd)

Name of subsidiary	Place of incorporation (or residence)	Proportion of ownership interest and voting power held		Principal activities
		2020 %	2019 %	
<u>Held by Yanlord Land Pte. Ltd. and its subsidiaries (Cont'd)</u>				
Shenzhen Huarong Innovation Investment Co., Ltd. ^(b) 深圳市华融创新投资股份有限公司	PRC	100	100	Property development
Shenzhen Long Wei Xin Investment Co., Ltd. ^(b) 深圳市龙威信投资实业有限公司	PRC	95	95	Property development
Shenzhen Yanlord City Re-development Co., Ltd. ^(b) 深圳市仁恒城市更新发展有限公司	PRC	100	100	City redevelopment
Shenzhen Yanlord Commercial Management Co., Ltd. ^(b) 深圳市仁恒商业管理有限公司	PRC	100	100	Management services
Shenzhen Yanlord Home Coffee Co., Ltd. ^(b) 深圳市仁恒家咖啡有限公司	PRC	100	100	Food and beverage services
Shenzhen Yanlord Property Management Co., Ltd. ^(b) 深圳市仁恒物业管理有限公司	PRC	100	100	Property management
Xingheng (Shenzhen) Investment Management Co., Ltd. ^{(4)(b)} 兴恒(深圳)投资实业有限公司	PRC	-	100	Investment holding
Yanlord Land (Shenzhen) Co., Ltd. ^(b) 仁恒置地(深圳)有限公司	PRC	100	100	Property development and management
Yanlord (Shenzhen) Hotel Management Co., Ltd. ^(b) 仁恒(深圳)酒店管理有限公司	PRC	100	100	Hotel management
Yanlord (Shenzhen) Investment Management Co., Ltd. ^(b) 仁恒(深圳)投资实业有限公司	PRC	100	100	Investment holding

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2020

10 INVESTMENTS IN SUBSIDIARIES (Cont'd)

Name of subsidiary	Place of incorporation (or residence)	Proportion of ownership interest and voting power held		Principal activities
		2020 %	2019 %	
<u>Held by Yanlord Land Pte. Ltd. and its subsidiaries (Cont'd)</u>				
Shanghai Fengrui Trading Co., Ltd. ^(b) 上海奉睿商贸有限公司	PRC	100	100	Trading of building materials and hardware
Shanghai Gusheng Construction Intelligent Engineering Co., Ltd. ^(b) 上海固盛建筑智能化工程有限公司	PRC	100	100	Construction engineering
Shanghai Pudong New District Private Yanlord Kindergarten ^{(7) (b)} 上海市浦东新区民办仁恒幼儿园	PRC	50	50	Kindergarten operation
Shanghai Renan Property Development Co., Ltd. ^(b) 上海仁安房地产开发有限公司	PRC	100	100	Property development
Shanghai Renchong Real Estate Co., Ltd. ^{(4) (b)} 上海仁崇置业有限公司	PRC	-	100	Property management
Shanghai Renhang Real Estate Co., Ltd. ^(b) 上海仁杭置业有限公司	PRC	100	100	Property development and management
Shanghai Renjia Property Development Co., Ltd. ^{(4) (b)} 上海仁嘉房地产开发有限公司	PRC	-	100	Property development
Shanghai Renjie Hebin Garden Property Co., Ltd. ^{(4) (b)} 上海仁杰河滨园房地产有限公司	PRC	-	51	Property development
Shanghai Renjing Real Estate Co., Ltd. ^{(3) (b)} 上海仁靖置业有限公司	PRC	100	-	Property development
Shanghai Renlan Industrial Co., Ltd. ^(b) 上海仁澜实业有限公司	PRC	100	100	Property development

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2020

10 INVESTMENTS IN SUBSIDIARIES (Cont'd)

Name of subsidiary	Place of incorporation (or residence)	Proportion of ownership interest and voting power held		Principal activities
		2020 %	2019 %	
<u>Held by Yanlord Land Pte. Ltd. and its subsidiaries (Cont'd)</u>				
Shanghai Renlan Real Estate Co., Ltd. ^(b) 上海仁澜置业有限公司	PRC	100	100	Property management
Shanghai Renpin Property Development Co., Ltd. ^{(2) (b)} 上海仁品房地产开发有限公司	PRC	50	50	Property development and management
Shanghai Renpu Real Estate Co., Ltd. ^(b) 上海仁浦置业有限公司	PRC	100	100	Property management
Shanghai Renrui Real Estate Co., Ltd. ^(b) 上海仁睿置业有限公司	PRC	100	100	Property development and management
Shanghai Renzhu Real Estate Co., Ltd. ^(b) 上海仁竺置业有限公司	PRC	100	100	Property management
Shanghai Yanlord Education Training Co., Ltd. ^(b) 上海仁恒教育培训有限公司	PRC	100	100	Education and training
Shanghai Yanlord Elevator Co., Ltd. ^(b) 上海仁恒电梯有限公司	PRC	100	100	Sale, installation, repair and maintenance of elevators
Shanghai Yanlord Entertainment Development Co., Ltd. ^(b) 上海仁恒演艺发展有限公司	PRC	100	100	Cultural and art performance
Shanghai Yanlord Gaoqiao Property Co., Ltd. ^{(7) (b)} 上海仁恒高乔房地产有限公司	PRC	50	50	Property development
Shanghai Yanlord Hongqiao Property Co., Ltd. ^(b) 上海仁恒虹桥房地产有限公司	PRC	60	60	Property development and management
Shanghai Yanlord Industrial Development Co., Ltd. ^(b) 上海仁恒实业发展有限公司	PRC	100	100	Management services and investment

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2020

10 INVESTMENTS IN SUBSIDIARIES (Cont'd)

Name of subsidiary	Place of incorporation (or residence)	Proportion of ownership interest and voting power held		Principal activities
		2020 %	2019 %	
<u>Held by Yanlord Land Pte. Ltd. and its subsidiaries (Cont'd)</u>				
Shanghai Yanlord Land Property Management Service Co., Ltd. ^(b) 上海仁恒置地物业服务管理有限公司	PRC	100	100	Property management
Shanghai Yanlord Property Co., Ltd. ^(b) 上海仁恒房地产有限公司	PRC	67	67	Property development
Shanghai Yanlord Property Management Co., Ltd. ^(b) 上海仁恒物业管理有限公司	PRC	67	67	Property management
Shanghai Yanlord Real Estate Co., Ltd. ^(b) 上海仁恒置业发展有限公司	PRC	57	57	Property development
Shanghai Yanlord Senlan Real Estate Co., Ltd. ^(b) 上海仁恒森兰置业有限公司	PRC	100	100	Property development
Shanghai Yanlord Xing Tang Real Estate Co., Ltd. ^(b) 上海仁恒兴唐置业有限公司	PRC	100	100	Property development and management
Shanghai Yanlord Yangpu Property Co., Ltd. ^(b) 上海仁恒杨浦房地产有限公司	PRC	100	100	Property development
Yanlord (China) Investment Group Co., Ltd. ^(b) 仁恒(中国)投资集团有限公司	PRC	100	100	Management services
Yanlord Equity Investment Management (Shanghai) Co., Ltd. ^(b) 仁恒股权投资管理(上海)有限公司	PRC	100	100	Investment management
Yanlord Property Service Management (China) Co., Ltd. ^(b) 仁恒物业服务管理(中国)有限公司	PRC	100	100	Property and investment management
Sanya Yanlord Real Estate Co., Ltd. ^(b) 三亚仁恒置业有限公司	PRC	100	100	Property development and management

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2020

10 INVESTMENTS IN SUBSIDIARIES (Cont'd)

Name of subsidiary	Place of incorporation (or residence)	Proportion of ownership interest and voting power held		Principal activities
		2020 %	2019 %	
<u>Held by Yanlord Land Pte. Ltd. and its subsidiaries (Cont'd)</u>				
Sanya Yanlord Travel Service Co., Ltd. ^(b) 三亚仁恒旅行社有限公司	PRC	100	100	Tourism and travel services
Changshu Future Land Yuexin Property Development Co., Ltd. ^(b) 常熟新城悦欣房地产开发有限公司	PRC	85	85	Property development
Suzhou Gusheng Fitness Services Co., Ltd. ^(b) 苏州固盛健身服务有限公司	PRC	100	100	Fitness services
Suzhou Peninsula Yanlord Real Estate Co., Ltd. ^(b) 苏州星岛仁恒置业有限公司	PRC	100	100	Property development
Suzhou Renan Real Estate Co., Ltd. ^{(2) (b)} 苏州仁安置业有限公司	PRC	30	30	Property development
Suzhou Rendao Enterprise Management Co., Ltd. ^{(1) (b)} 苏州市仁岛企业管理有限公司	PRC	100	–	Business consultancy
Suzhou Rentong Property Development Co., Ltd. ^{(1) (b)} 苏州市仁通房地产开发有限公司	PRC	60	–	Property development
Suzhou Renyuan Real Estate Co., Ltd. ^(b) 苏州仁远置业有限公司	PRC	100	100	Property development
Suzhou Renzhuo Real Estate Co., Ltd. ^{(6) (b)} 苏州仁琢置业有限公司	PRC	100	100	Property development
Suzhou Yanlord Commercial Management Co., Ltd. ^{(3) (b)} 苏州仁恒商业管理有限公司	PRC	100	–	Business management
Suzhou Yinghan Property Development Co., Ltd. ^(b) 苏州鹰汉房地产开发有限公司	PRC	100	100	Property development

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2020

10 INVESTMENTS IN SUBSIDIARIES (Cont'd)

Name of subsidiary	Place of incorporation (or residence)	Proportion of ownership interest and voting power held		Principal activities
		2020 %	2019 %	
<u>Held by Yanlord Land Pte. Ltd. and its subsidiaries (Cont'd)</u>				
Suzhou Zhonghui Property Development Co., Ltd. ^(b) 苏州中辉房地产开发有限公司	PRC	100	100	Property development
Yanlord Property Development (Suzhou) Co., Ltd. ^(b) 仁恒置业(苏州)有限公司	PRC	100	100	Property development and management
Yanlord Property (Suzhou) Co., Ltd. ^(b) 仁恒地产(苏州)有限公司	PRC	100	100	Property development
Taicang Renlixin Science and Technology Development Co., Ltd. ^{(3)(b)} 太仓仁力新科技发展有限公司	PRC	60	–	Property development
Taicang Renzhuo Real Estate Co., Ltd. ^(b) 太仓市仁琢置业有限公司	PRC	100	100	Property development
Taicang Yanlord Science and Technology Development Co., Ltd. ^{(3)(b)} 太仓仁恒科技发展有限公司	PRC	100	–	Property development
Tangshan Yanlord Property Management Co., Ltd. ^(b) 唐山仁恒物业服务有限公司	PRC	100	100	Property management
Tianjin Yanlord Beiyang Real Estate Co., Ltd. ^{(1)(b)} 天津仁恒北洋置业有限公司	PRC	100	60	Property development and management
Tianjin Yanlord Fitness Services Co., Ltd. ^(b) 天津仁恒健身服务有限公司	PRC	100	100	Leisure and fitness
Tianjin Yanlord Garden Co., Ltd. ^(b) 天津艺宛园林有限公司	PRC	80	80	Landscaping and gardening
Tianjin Yanlord Haihe Development Co., Ltd. ^(b) 天津仁恒海河开发有限公司	PRC	80	80	Property development

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2020

10 INVESTMENTS IN SUBSIDIARIES (Cont'd)

Name of subsidiary	Place of incorporation (or residence)	Proportion of ownership interest and voting power held		Principal activities
		2020 %	2019 %	
<u>Held by Yanlord Land Pte. Ltd. and its subsidiaries (Cont'd)</u>				
Tianjin Yanlord Hehai Real Estate Co., Ltd. ^{(1)(b)} 天津仁恒和海置业有限公司	PRC	60	–	Property development
Tianjin Yanlord Property Management Co., Ltd. ^(b) 天津仁恒物业服务有限公司	PRC	100	100	Property management
Yanlord Development (Tianjin) Co., Ltd. ^(b) 仁恒发展(天津)有限公司	PRC	100	100	Property development
Wuhan Rentai Real Estate Co., Ltd. ^{(3)(b)} 武汉仁泰置业有限公司	PRC	100	–	Property development
Wuhan Yanlord Zhuyeshan Real Estate Co., Ltd. ^(b) 武汉仁恒竹叶山置业有限公司	PRC	55	55	Property development
Yanlord Land (Wuhan) Co., Ltd. ^(b) 仁恒置地(武汉)有限公司	PRC	100	100	Property development
Renzhuo Property Development (Yancheng) Co., Ltd. ^{(3)(b)} 仁琢地产开发(盐城)有限公司	PRC	100	–	Property development
Yancheng Real Estate Co., Ltd. ^(b) 盐城房投置业有限公司	PRC	51	51	Property development
Yancheng Renlan Real Estate Co., Ltd. ^(b) 盐城仁澜置业有限公司	PRC	100	100	Property development
Yancheng Property Development Co., Ltd. ^{(1)(b)} 盐城房投地产开发有限公司	PRC	51	–	Property development
Yanlord (Yancheng) Property Development Co., Ltd. ^{(3)(b)} 仁恒(盐城)地产开发有限公司	PRC	100	–	Property development
Zhuhai Maokai Eco Hi-tech Co., Ltd. ^(b) 珠海茂凯生态科技有限公司	PRC	80	80	Landscaping and gardening

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2020

10 INVESTMENTS IN SUBSIDIARIES (Cont'd)

Name of subsidiary	Place of incorporation (or residence)	Proportion of ownership interest and voting power held		Principal activities
		2020 %	2019 %	
<u>Held by Yanlord Land Pte. Ltd. and its subsidiaries (Cont'd)</u>				
Zhuhai Renyuan Investment Co., Ltd. ^(b) 珠海仁远投资有限公司	PRC	100	100	Management services and investment
Zhuhai Renyuan Land Co., Ltd. ^(b) 珠海市仁远置地有限公司	PRC	100	100	Property development
Zhuhai Renyuan Property Development Co., Ltd. ^(b) 珠海仁远房地产开发有限公司	PRC	100	100	City redevelopment
Zhuhai Renyuan Real Estate Co., Ltd. ^(b) 珠海仁远置业有限公司	PRC	100	100	City redevelopment
Zhuhai Yanlord Heyou Land Co., Ltd. ^(b) 珠海仁恒和由置地有限公司	PRC	57	57	Property development and management
Zhuhai Yanlord Heyuan Land Co., Ltd. ^(b) 珠海仁恒和远置地有限公司	PRC	57	57	Property development
Zhuhai Yanlord Industrial Ltd. ^(b) 珠海仁恒实业有限公司	PRC	95	95	Property development
Zhuhai Yanlord Property Management Co., Ltd. ^(b) 珠海仁恒物业管理有限公司	PRC	100	100	Property management
Zhuhai Yanlord Real Estate Development Co., Ltd. ^(b) 珠海仁恒置业发展有限公司	PRC	90	90	Property development
Zhongshan Renyuan Investment Co., Ltd. ^(b) 中山仁远投资有限公司	PRC	100	100	Investment holding
Zhongshan Renyuan Real Estate Co., Ltd. ^(b) 中山仁远置业有限公司	PRC	100	100	Investment holding

⁽¹⁾ Acquired during 2020 (Note 33).

⁽²⁾ Although the Group does not effectively own more than 50% of the equity shares of these entities, it has sufficiently dominant voting right and power to direct the relevant activities of these entities and therefore the Group has unilateral control over these entities and hence regards these entities as subsidiaries.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2020

10 INVESTMENTS IN SUBSIDIARIES (Cont'd)

- (3) Incorporated during 2020.
- (4) The Group lost control and reclassified the entities from subsidiaries to joint ventures during the year (Note 34).
- (5) Struck off during 2020.
- (6) Formerly known as Shanghai Renzhuo Industrial Co., Ltd. 上海仁琢实业有限公司.
- (7) The proportion of ownership interest and voting power held by the Group is 50.2%.
- (8) The proportion of the Group's equity interests in Nanjing Xinghuiheng Enterprise Management Co., Ltd ("Nanjing Xinghuiheng") and Nanjing Xingrenli Property Development Co., Ltd. ("Nanjing Xingrenli") is 31% (2019 : 49% for Nanjing Xinghuiheng) held through its 51% (2019 : 100%) owned subsidiary. The subsidiary is the registered shareholder as to 60% (2019 : 49%) of equity interest in Nanjing Xinghuiheng, which holds 100% of equity interest in Nanjing Xingrenli.

Pursuant to a cooperation agreement between the Group and the other shareholder of Nanjing Xinghuiheng, the proportion of the Group's ownership interest and voting power in the underlying residential development project undertaken by Nanjing Xingrenli is 100%. Management considered that the residential segment of Nanjing Xingrenli represents a separate entity under SFRS(I) 10 notwithstanding the legal ownership held by the subsidiary in Nanjing Xinghuiheng of 60% (2019 : Nil%) mentioned above. Accordingly, the Group's effective interest and voting power in the residential segment of Nanjing Xinghuiheng and Nanjing Xingrenli is 51% (2019 : 49% for Nanjing Xinghuiheng).

Notes on auditors

- (a) Audited or reviewed by Deloitte & Touche LLP, Singapore for statutory or consolidation purposes.
- (b) Audited or reviewed by Deloitte Touche Tohmatsu Certified Public Accountants LLP, Shanghai, PRC for consolidation purposes.
- (c) Audited by member firms of Deloitte Touche Tohmatsu Limited.

The following schedule shows the effects of changes in the Group's ownership interest in subsidiaries that did not result in change of control, on the equity attributable to owners of the parent:

	GROUP	
	2020 RMB'000	2019 RMB'000
Amount paid on change of interest in subsidiaries	1,681,442	3,017,933
Non-controlling interests acquired	(2,201,258)	(3,654,610)
Difference recognised in statutory and other reserve	(519,816)	(636,677)

Details of non wholly-owned subsidiaries that have material non-controlling interests to the Group are disclosed below:

Name of subsidiary	Place of incorporation and principal place of business	Proportion of ownership interest and voting rights held by non-controlling interests		Profit attributable to non-controlling interests		Accumulated non-controlling interests	
		2020 %	2019 %	2020 RMB'000	2019 RMB'000	2020 RMB'000	2019 RMB'000
Shanghai Renpin Property Development Co., Ltd. 上海仁品房地产开发有限公司	PRC	50	50	33,576	403,499	505,590	3,368,128
Suzhou Renan Real Estate Co., Ltd. 苏州仁安置业有限公司	PRC	70	70	202,072	935,178	452,299	1,007,117
Zhuhai Yanlord Heyou Land Co., Ltd. 珠海仁恒和由置地有限公司	PRC	43	43	379,924	29,094	1,342,074	1,191,527
Individually immaterial subsidiaries with non-controlling interests				444,901	469,877	7,113,456	6,093,692
				1,060,473	1,837,648	9,413,419	11,660,464

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2020

10 INVESTMENTS IN SUBSIDIARIES (Cont'd)

Summarised financial information in respect of each of the Group's subsidiaries that has material non-controlling interests is set out below. The summarised financial information below represents amounts before intragroup eliminations.

	Shanghai Renpin Property Development Co., Ltd. 上海仁品房地产开发有限公司		Suzhou Renan Real Estate Co., Ltd. 苏州仁安置业有限公司		Zhuhai Yanlord Heyou Land Co., Ltd. 珠海仁恒和由置地有限公司	
	2020 RMB'000	2019 RMB'000	2020 RMB'000	2019 RMB'000	2020 RMB'000	2019 RMB'000
Non-current assets	337	570	1,344	1,688	970,174	970,532
Current assets	2,869,174	7,593,776	1,251,817	4,093,920	3,673,088	4,954,655
Non-current liabilities	(87,344)	(26,757)	—	—	(7,433)	(309,949)
Current liabilities	(1,770,987)	(1,731,333)	(607,019)	(2,656,869)	(1,514,726)	(2,844,245)
Total equity	1,011,180	5,836,256	646,142	1,438,739	3,121,103	2,770,993
Equity attributable to:						
Owners of the Company	505,590	2,468,128	193,843	431,622	1,779,029	1,579,466
Non-controlling interests	505,590	3,368,128	452,299	1,007,117	1,342,074	1,191,527
Revenue	191,866	2,137,490	1,932,664	7,390,786	2,796,304	462,468
Profit for the year, representing total comprehensive income for the year	67,152	806,998	288,674	1,335,969	883,545	67,661
Total comprehensive income attributable to:						
Owners of the Company	33,576	403,499	86,602	400,791	503,621	38,567
Non-controlling interests	33,576	403,499	202,072	935,178	379,924	29,094
Net cash (outflow) inflow from:						
– Operating activities	(113,628)	722,981	(540,726)	2,466,056	983,750	979,987
– Investing activities	(844,275)	(2,833,418)	258,306	(1,457,702)	(197,643)	3,515
– Financing activities ⁽¹⁾	337,710	(199,587)	800	(950,000)	(938,261)	158,782
Net cash (outflow) inflow	(620,193)	(2,310,024)	(281,620)	58,354	(152,154)	1,142,284
⁽¹⁾ Including dividend paid to non-controlling interests						
	—	—	—	—	(202,705)	—

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2020

11 INVESTMENTS IN ASSOCIATES / NON-TRADE AMOUNTS DUE FROM / TO ASSOCIATES

	GROUP	
	2020 RMB'000	2019 RMB'000
Cost of investments in associates	2,127,313	2,105,117
Share of post-acquisition profit, net of dividend received	26,735	96,429
	2,154,048	2,201,546
Non-trade amounts due from associates (Note 6)		
– Non-current assets	994,547	875,773
– Current assets	1,650,210	1,436,013
Non-trade amounts due to associates (Current liabilities) (Note 6)	1,062,119	665,085

As at December 31, 2020, the Group's non-current non-trade amounts due from associates are interest-free, unsecured and are not expected to be repayable within the next 12 months except for the amount of RMB4 million (2019 : RMB Nil) which bears interest at 8.48% (2019 : Nil%) per annum.

As at December 31, 2020, the Group's current non-trade amounts due from associates are interest-free, unsecured and repayable on demand except for the amounts of RMB1.430 billion (2019 : RMB887 million) which bear interests at 8.48% to 9.0% (2019 : 8.0% to 9.0%) per annum and are repayable within 1 year from the end of the reporting period.

As at December 31, 2020, the Group's current non-trade amounts due to associates are interest-free, unsecured and repayable on demand except for the amount of RMB375 million (2019 : RMB459 million) which bears interest at 12.0% (2019 : 12.0%) per annum and is repayable within 1 year from the end of the reporting period.

Aggregate information of the Group's associates that are not individually material

	GROUP	
	2020 RMB'000	2019 RMB'000
Group's share of (loss) profit from continuing operations	(18,068)	73,716
Group's share of other comprehensive income	5,188	934
Group's share of total comprehensive (expense) income	(12,880)	74,650
Aggregate carrying amount of the Group's interests in these associates	2,154,048	2,201,546

Unrecognised share of loss of an associate

	GROUP	
	2020 RMB'000	2019 RMB'000
Group's share of unrecognised loss of an associate for the year	–	7
Cumulative unrecognised share of loss of an associate	–	7

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2020

12 INVESTMENTS IN JOINT VENTURES / NON-TRADE AMOUNTS DUE FROM / TO JOINT VENTURES

	GROUP	
	2020 RMB'000	2019 RMB'000
Cost of investments in joint ventures	7,856,271	6,258,035
Share of post-acquisition profit, net of dividend received	482,592	373,347
	8,338,863	6,631,382
Non-trade amounts due from joint ventures (Note 6)		
– Non-current assets	2,781,997	3,857,552
– Current assets	10,700,082	10,583,186
Non-trade amounts due to joint ventures (Note 6)		
– Non-current liabilities	200,000	200,000
– Current liabilities	7,645,737	3,277,093

As at December 31, 2020, the Group's non-current non-trade amounts due from joint ventures are interest-free, unsecured and are not expected to be repayable within the next 12 months except for the amounts of RMB992 million (2019 : RMB1.727 billion) which bear interests at 8.0% to 9.5% (2019 : 6.25% to 9.0%) per annum and are repayable within 2 to 3 years (2019 : 2 to 3 years) from the end of the reporting period.

As at December 31, 2020, the Group's current non-trade amounts due from joint ventures are interest-free, unsecured and repayable on demand except for the amounts of RMB4.120 billion (2019 : RMB4.240 billion) which bear interests at 4.35% to 9.0% (2019 : 4.35% to 10.0%) per annum and are repayable within 1 year from the end of the reporting period.

As at December 31, 2020, the Group's non-current non-trade amounts due to joint ventures are interest-free, unsecured and are not expected to be repayable within the next 12 months.

As at December 31, 2020, the Group's current non-trade amounts due to joint ventures are interest-free, unsecured and repayable on demand except for the amounts of RMB3.680 billion (2019 : RMB1.690 billion) which bear interests at 5.83% to 7.0% (2019 : 3.42% to 7.0%) per annum and are repayable within 1 year from the end of the reporting period.

Aggregate information of the Group's joint ventures that are not individually material

	GROUP	
	2020 RMB'000	2019 RMB'000
Group's share of profit from continuing operations	37,609	269,473
Group's share of other comprehensive income	–	24,577
Group's share of total comprehensive income	37,609	294,050
Aggregate carrying amount of the Group's interests in joint ventures	8,338,863	6,631,382

Unrecognised share of loss of joint ventures

	GROUP	
	2020 RMB'000	2019 RMB'000
Group's share of unrecognised loss of joint ventures for the year	83,731	18,635
Cumulative unrecognised share of loss of joint ventures	102,366	18,635

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2020

13 NON-TRADE AMOUNTS DUE FROM / TO NON-CONTROLLING SHAREHOLDERS OF SUBSIDIARIES

The Group's non-trade amounts due from non-controlling shareholders of subsidiaries are interest-free, unsecured and repayable on demand except as disclosed below:

- a) As at December 31, 2020, amounts of RMB558 million (2019 : RMB540 million) bear interests at 1.5% to 8.0% (2019 : 1.5% to 8.0%) per annum. These amounts are unsecured and repayable within 1 year (2019 : 1 year) from the end of the reporting period.
- b) As at December 31, 2020, amount of RMB200 million (2019 : RMB200 million) which bears interest at the People's Bank of China's benchmark rate is unsecured and repayable within 1 year (2019 : 1 year) from the end of the reporting period.
- c) As at December 31, 2020, amount of RMB7 million (2019 : RMB35 million) which bears interest at 4.35% (2019 : 4.35%) per annum and is secured by the non-controlling shareholder's shares in a subsidiary and undistributed retained earnings of a subsidiary yet to be distributed as dividends to the non-controlling shareholder of that subsidiary. The amount is repayable on demand.
- d) As at December 31, 2020, amount of RMB803 million (2019 : RMB803 million) bears interest at the People's Bank of China's benchmark rate per annum. This amount is secured by the non-controlling shareholder's share in a subsidiary, guarantee provided by a related party of the non-controlling shareholder of that subsidiary and the land use right owned by the related party of the non-controlling shareholder of that subsidiary and repayable within 1 year (2019 : 1 year) from the end of the reporting period.

As at December 31, 2020, the Group's non-trade amounts due to non-controlling shareholders of subsidiaries are interest-free, unsecured and repayable on demand except for the amounts of RMB147 million (2019: RMB129 million) bear interests at 6.0% to 9.5% (2019: 8.0% to 9.5%) per annum and are repayable within 1 year (2019 : 1 year) from the end of the reporting period.

14 OTHER RECEIVABLES AND DEPOSITS

	GROUP		COMPANY	
	2020 RMB'000	2019 RMB'000	2020 RMB'000	2019 RMB'000
Advances to suppliers	54,858	62,497	–	–
Deposits for projects	2,352,378	2,182,514	–	–
Staff loans	6,702	5,816	–	–
Prepayments	45,829	561,782	2	306
Value added tax ("VAT") prepayment	1,325,159	767,600	–	–
Sales-related tax prepayment	47,753	34,328	–	–
Interest receivables	185,294	123,840	–	–
Payments for resettlement ⁽¹⁾	600,319	600,319	–	–
Transition funds ⁽²⁾	1,122,123	203,399	–	–
Loan receivables ⁽³⁾	665,810	1,089,386	–	–
Other receivables	843,634	504,540	–	–
	7,249,859	6,136,021	2	306
Analysed as:				
– Non-current	2,656,144	2,373,652	–	–
– Current	4,593,715	3,762,369	2	306
	7,249,859	6,136,021	2	306

⁽¹⁾ This relates to payments for resettlement of land parcel in Chengdu.

⁽²⁾ This relates to transition funds for supply chain asset backed security.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2020

14 OTHER RECEIVABLES AND DEPOSITS (Cont'd)

- ⁽³⁾ Loan receivables are interest-free, unsecured and repayable on demand except for the amounts of RMB280 million (2019 : RMB980 million) which bear interests at 9.5% to 10.6% (2019 : 6.6% to 10.6%) per annum and are repayable within 1 year from the end of the reporting period, the amount of RMB260,000 (2019 : RMB100 million) which bears interest at 5.0% (2019 : 5.0% to 6.6%) per annum and is repayable within 2 years from the end of the reporting period and the amount of RMB60 million (2019 : RMB60 million) which is not expected to be repayable within the next 12 months.

Management considers the credit risk on other receivables and deposits to be limited because the counterparties are government agents or third parties with long business relationships with the Group.

15 INTANGIBLE ASSET

	GROUP	
	2020 RMB'000	2019 RMB'000
Club membership	812	812

Management assessed the marketable value of the club membership and determined that it was in excess of its carrying amount.

16 DEFERRED TAXATION

	GROUP	
	2020 RMB'000	2019 RMB'000
Deferred tax assets	640,577	596,801
Deferred tax liabilities	(4,544,458)	(4,212,852)
	(3,903,881)	(3,616,051)

The following are the deferred tax assets and liabilities recognised by the Group and movements thereon during the current and prior reporting year.

GROUP	Revaluation of investment properties RMB'000	Revaluation upon acquisition of subsidiaries RMB'000	Accrued income on completed project RMB'000	Accelerated depreciation and excess of tax deductible expenses RMB'000	Withholding tax RMB'000	Tax losses RMB'000	Excess of tax deductible development costs and other expenses RMB'000	Others RMB'000	Total RMB'000
At January 1, 2019									
(Charge) Credit to profit or loss for the year (Note 28)	(2,162,527)	–	–	24,046	(669,067)	170,322	277,913	–	(2,359,313)
Acquisition of subsidiaries	(544,302)	43,561	4,133	7,727	(96,168)	9,296	(22,006)	177	(597,582)
Change of control from subsidiary to joint venture	–	(571,853)	(210,802)	(16,040)	–	26,412	65,003	(5,853)	(713,133)
Realised during the year	–	–	–	–	52,543	–	–	–	52,543
Exchange difference	–	1,004	937	(146)	–	(351)	13,369	(12,664)	2,149
At December 31, 2019									
(Charge) Credit to profit or loss for the year (Note 28)	(2,706,829)	(527,288)	(205,732)	15,587	(712,692)	204,964	334,279	(18,340)	(3,616,051)
Acquisition of subsidiaries	(294,272)	2,319	1,292	17,005	(186,098)	49,884	(48,561)	(79,322)	(537,753)
Change of control from subsidiary to joint venture	–	–	–	–	–	33,424	–	–	33,424
Realised during the year	–	–	–	–	–	(1,952)	–	–	(1,952)
Exchange difference	–	23,550	9,299	213	–	(618)	(309)	201	186,115
At December 31, 2020									
	(3,001,101)	(501,419)	(195,141)	32,805	(712,675)	285,702	285,409	(97,461)	(3,903,881)

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2020

16 DEFERRED TAXATION (Cont'd)

At the end of the reporting period, the Group has unutilised tax losses of RMB2.400 billion (2019 : RMB2.467 billion) available for offset against future profits subject to agreement with the tax authorities and compliance with certain provisions of the tax legislation of the respective countries or regions in which the entities operate. A deferred tax asset of RMB286 million (2019 : RMB205 million) has been recognised in respect of RMB1.154 billion (2019 : RMB827 million) of such losses at the tax rates range from 15% to 25%. No deferred tax asset has been recognised in respect of the remaining tax losses of RMB1.246 billion (2019 : RMB1.640 billion) due to the unpredictability of future profit streams. The tax losses have no expiry date except for RMB2.052 billion (2019 : RMB1.781 billion) which will expire between 2021 and 2036 (2019 : 2020 and 2036), subject to the conditions imposed by law including the retention of majority shareholders as defined.

17 PLEDGED BANK DEPOSITS AND CASH AND CASH EQUIVALENTS

	GROUP		COMPANY	
	2020 RMB'000	2019 RMB'000	2020 RMB'000	2019 RMB'000
Pledged bank deposits:				
- Non-current	91,259	—	—	—
- Current	122,214	469,558	—	—
	213,473	469,558	—	—
Cash on hand				
	1,241	1,190	5	7
Cash at bank	16,624,931	12,190,629	1,109	1,577
Fixed deposits	573,730	1,625,770	—	—
Cash and cash equivalents	17,199,902	13,817,589	1,114	1,584

Pledged bank deposits represent deposits pledged to banks for performance guarantee for resettlement projects and to secure the bank and other borrowings and certain mortgage loans provided by banks to customers for the purchase of the Group's development properties. The non-current portion of pledged bank deposits is expected to be released beyond one year.

18 PUT LIABILITIES TO ACQUIRE NON-CONTROLLING INTERESTS

This represents the fair value of the put liabilities to acquire non-controlling interests as part of the share purchase agreements of subsidiaries. The obligation amount of RMB1.491 billion include a current portion of RMB1.158 billion (2019 : RMB1.153 billion) as the earliest dates for the non-controlling shareholder to exercise the non-cancellable right to put back its shares to the Group is expected within one year, and a non-current portion of RMB333 million (2019 : RMB Nil) for the non-controlling shareholders to exercise the non-cancellable right to put back its shares to the Group beyond one year.

During the year, addition of RMB1.158 billion and distribution of dividends to non-controlling shareholders of RMB818 million which represents the repayment of the liability are recognised in the "other reserve" on the consolidated statement of changes in equity.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2020

19 SHARE CAPITAL

	GROUP AND COMPANY			
	2020 '000	2019 '000	2020 RMB'000	2019 RMB'000
Number of ordinary shares				
Issued and paid up:				
At beginning and end of year	1,948,736	1,948,736	7,261,726	7,261,726

Fully paid up ordinary shares, which have no par value, carry one vote per share and a right to dividends as and when declared by the Company.

20 TREASURY SHARES

	GROUP AND COMPANY			
	2020 '000	2019 '000	2020 RMB'000	2019 RMB'000
Number of ordinary shares				
At beginning and end of year	17,201	17,201	132,309	132,309

As of the end of the reporting period, the Company acquired 17,201,100 of its own shares through purchases on the Singapore Exchange and the total amount paid to acquire the shares was RMB132 million, which had been deducted from equity attributable to owners of the Company. The shares are held as "treasury shares".

21 BANK AND OTHER BORROWINGS

	GROUP	
	2020 RMB'000	2019 RMB'000
The bank and other borrowings are repayable as below:		
On demand or within one year	7,990,620	14,477,599
More than one year but not exceeding two years	9,908,175	7,290,881
More than two years but not exceeding five years	13,345,030	10,413,262
More than five years	3,483,499	4,378,990
	34,727,324	36,560,732
Less: Amount due for settlement within 12 months (shown under current liabilities)	(7,990,620)	(14,477,599)
Amount due for settlement after 12 months	26,736,704	22,083,133
Secured:		
– Non-current	17,373,748	17,451,951
– Current	5,602,118	4,600,836
	22,975,866	22,052,787
Unsecured:		
– Non-current	9,362,956	4,631,182
– Current	2,388,502	9,876,763
	11,751,458	14,507,945
	34,727,324	36,560,732

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2020

21 BANK AND OTHER BORROWINGS (Cont'd)

The following assets are pledged for the above secured bank and other borrowings and undrawn loan facilities:

	GROUP	
	2020 RMB'000	2019 RMB'000
Properties for development	68,572	389,558
Completed properties for sale	259,371	259,371
Properties under development for sale	16,222,152	14,974,670
Investment properties	18,828,377	17,721,593
Freehold land and buildings	45,473	24,619
Leasehold land and buildings	2,423,183	2,443,112
Motor vehicles	4,976	5,008
Bank deposits	118,803	463,587

Reconciliation of liabilities arising from financing activities

The table below details changes in the Group's liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Group's consolidated statement of cash flows as cash flows from financing activities.

	January 1, 2019 RMB'000	Financing cash flow RMB'000	Non-cash changes									December 31, 2019 RMB'000	
			Effect of adoption of SFRS(I) 16 RMB'000	Acquisition of subsidiaries RMB'000	Change from subsidiaries to joint ventures RMB'000	Deferred finance charge RMB'000	Foreign exchange movement RMB'000	Dividend declared RMB'000	Other changes RMB'000				
Bank and other borrowings	36,291,472	1,957,111 ⁽¹⁾	–	6,597,323	(8,500,000)	48,189	166,637	–	–	–	36,560,732		
Senior notes	5,440,228	2,720,066 ⁽²⁾	–	777,120	–	–	137,520	–	5,997	9,080,931			
Lease liabilities	–	(24,765) ⁽³⁾	91,366	294,073	(8,053)	–	231	–	8,261	361,113			
Non-trade amounts due to associates	257,596	621,535 ⁽⁴⁾	–	–	–	–	–	–	(214,046)	665,085			
Non-trade amounts due to joint ventures	1,479,768	825,916 ⁽⁵⁾	–	–	647,197	–	–	–	524,212	3,477,093			
Non-trade amounts due to directors	56,315	52,068 ⁽⁶⁾	–	–	–	–	1,106	–	–	–	109,489		
Non-trade amounts due to non-controlling shareholders of subsidiaries	705,139	(2,379,946) ⁽⁷⁾	–	1,522,003	(6,751)	–	–	347,979	297,471	485,895			
Non-trade amounts due to other related parties	44,808	(36,304) ⁽⁸⁾	–	–	–	–	–	–	–	–	8,504		
Dividend payable	–	(652,033) ⁽⁹⁾	–	–	–	–	–	652,033	–	–	–		
Total	44,275,326	3,083,648	91,366	9,190,519	(7,867,607)	48,189	305,494	1,000,012	621,895	50,748,842			

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2020

21 BANK AND OTHER BORROWINGS (Cont'd)

	Non-cash changes								December 31, 2020 RMB'000
	January 1, 2020 RMB'000	Financing cash flow RMB'000	Change from joint ventures to subsidiaries RMB'000	Change from subsidiaries to joint ventures RMB'000	Deferred finance charge RMB'000	Foreign exchange movement RMB'000	Dividend declared RMB'000	Other changes RMB'000	
Bank and other borrowings	36,560,732	(2,925,628) ⁽¹⁾	2,823,130	(829,000)	99,058	(1,000,968)	—	—	34,727,324
Senior notes	9,080,931	(527,671) ⁽²⁾	—	—		(542,165)	—	(2,998)	8,008,097
Lease liabilities	361,113	(80,109) ⁽³⁾		(9,822)	—	12,020	—	(10,849)	272,353
Non-trade amounts due to associates	665,085	177,926 ⁽⁴⁾	—	—	—	—	—	219,108	1,062,119
Non-trade amounts due to joint ventures	3,477,093	4,191,870 ⁽⁵⁾	(1,027,794)	1,259,742	—	—	—	(55,174)	7,845,737
Non-trade amounts due to directors	109,489	29,283 ⁽⁶⁾	—	—	—	—	—	4,870	143,642
Non-trade amounts due to non-controlling shareholders of subsidiaries	485,895	546,277 ⁽⁷⁾	753,073	—	—	—	259,549	284,961	2,329,755
Non-trade amounts due to other related parties	8,504	11,301 ⁽⁸⁾	—	—	—	—	—	—	19,805
Dividend payable	—	(660,715) ⁽⁹⁾	—	—	—	—	660,715	—	—
Total	50,748,842	762,534	2,548,409	420,920	99,058	(1,531,113)	920,264	439,918	54,408,832

- (1) The cash flows make up the net amount of proceeds from bank and other borrowings and repayment of bank and other borrowings in the consolidated statement of cash flows.
- (2) The cash flows make up the net amount of proceeds on issue of senior notes and redemption of senior notes in the consolidated statement of cash flows.
- (3) The cash flows represent repayment of lease liabilities in the consolidated statement of cash flows.
- (4) The cash flows represent advance from associates in the consolidated statement of cash flows.
- (5) The cash flows represent advance from joint ventures in the consolidated statement of cash flows.
- (6) The cash flows represent advance from directors in the consolidated statement of cash flows.
- (7) The cash flows make up the net amount of dividends paid to non-controlling shareholders of subsidiaries, advance from non-controlling shareholders of subsidiaries and repayment to non-controlling shareholders of subsidiaries in the consolidated statement of cash flows.
- (8) The cash flows represent advance from or repayment to other related parties in the consolidated statement of cash flows.
- (9) The cash flows represent dividends paid in the consolidated statement of cash flows.

22 SENIOR NOTES

The senior notes comprise notes issued from 2016 to 2019.

Notes 2021

The senior notes amounting to S\$150 million (equivalent to RMB752 million) were issued by a subsidiary of the Company on June 1, 2016 ("Notes 2021") for a term of five years with maturity date on June 1, 2021, bears interest at 3.68% per annum with interest payable on June 1 and December 1 of each year, commencing on December 1, 2016. The senior notes were denominated in SG dollars. During the year ended December 31, 2020, the cumulative interests accrued on Notes 2021 were calculated by applying effective interest rates of 3.68% per annum. In 2020, the subsidiary of the Company redeemed S\$105 million (equivalent to RMB528 million) of Notes 2021 and S\$45 million (equivalent to RMB224 million) principal remain outstanding as at December 31, 2020.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2020

22 SENIOR NOTES (Cont'd)

Notes 2022

The senior notes amounting to US\$450 million (equivalent to RMB2.936 billion) were issued by a wholly-owned subsidiary of the Company on January 23, 2017 ("Notes 2022") for a term of five years with maturity date on January 23, 2022, bears interest at 5.875% per annum with interest payable on January 23 and July 23 of each year, commencing on July 23, 2017. The senior notes are denominated in US dollars. During the year ended December 31, 2020, the cumulative interests accrued on Notes 2022 were calculated by applying effective interest rates of 6.2% (2019 : 6.2%) per annum. The Company and five of its subsidiaries have provided a joint guarantee in respect of Notes 2022. The joint guarantee approximates RMB2.936 billion as at December 31, 2020 (2019 : RMB3.141 billion). Additionally, shares in five of its subsidiaries are charged in favour of the global security agent and trustee of Notes 2022.

Notes 2023

The senior notes amounting to US\$350 million (equivalent to RMB2.284 billion) were issued by a wholly-owned subsidiary of the Company on April 23, 2018 ("Notes 2023") for a term of five years with maturity date on April 23, 2023, bears interest at 6.75% per annum with interest payable on April 23 and October 23 of each year, commencing on October 23, 2018. The senior notes are denominated in US dollars. During the year ended December 31, 2020, the cumulative interests accrued on Notes 2023 were calculated by applying effective interest rates of 7.2% (2019 : 7.2%) per annum. The Company and five of its subsidiaries have provided a joint guarantee in respect of Notes 2023. The joint guarantee approximates RMB2.284 billion as at December 31, 2020 (2019 : RMB2.443 billion). Additionally, shares in five of its subsidiaries are charged in favour of the global security agent and trustee of Notes 2023.

Notes 2024

The senior notes amounting to US\$400 million (equivalent to RMB2.610 billion) were issued by a wholly-owned subsidiary of the Company on August 27, 2019 ("Notes 2024") for a term of four and half years with maturity date on February 27, 2024, bears interest at 6.8% per annum with interest payable on February 27 and August 27 of each year, commencing on February 27, 2020. The senior notes are denominated in US dollars. During the year ended December 31, 2020, the cumulative interests accrued on Notes 2024 were calculated by applying effective interest rates of 7.2% (2019 : 7.2%) per annum. The Company and five of its subsidiaries have provided a joint guarantee in respect of Notes 2024. The joint guarantee approximates RMB2.610 billion as at December 31, 2020 (2019 : RMB2.792 billion). Additionally, shares in five of its subsidiaries are charged in favour of the global security agent and trustee of Notes 2024.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2020

22 SENIOR NOTES (Cont'd)

	GROUP	
	2020 RMB'000	2019 RMB'000
Nominal value of senior notes issued	8,581,930	9,150,960
Transaction costs ⁽¹⁾	(95,247)	(101,897)
At date of issue ⁽²⁾	8,486,683	9,049,063
Cumulative interest accrued	1,396,236	920,507
Cumulative interest paid	(1,180,479)	(708,739)
Redemption	(527,671)	–
	8,174,769	9,260,831
Interest payable within one year included in other payables (Note 24)	(166,672)	(179,900)
Total	8,008,097	9,080,931
Presented as:		
– Non-current	7,783,718	9,080,931
– Current	224,379	–
	8,008,097	9,080,931

⁽¹⁾ Transaction costs included non-audit fees of RMB Nil (2019 : RMB2 million) paid to the auditors of the Company in connection with the issuance of senior notes by the Group (Note 29).

⁽²⁾ Changes in amount at date of issue relative to the preceding year's amount include the effect of translation to the presentation currency and have been included in the currency translation reserve.

23 TRADE PAYABLES

	GROUP	
	2020 RMB'000	2019 RMB'000
Non-controlling shareholder of a subsidiary	873,999	666,305
Outside parties	9,590,095	7,881,240
	10,464,094	8,547,545

The average credit period for trade payables is 147 days (2019 : 159 days).

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2020

24 OTHER PAYABLES

	GROUP		COMPANY	
	2020 RMB'000	2019 RMB'000	2020 RMB'000	2019 RMB'000
Advances received from customers	647,573	424,079	–	–
Deposits for projects	1,401,009	4,025,260	–	–
Consideration payables for acquisition	508,632	499,664	–	–
Accrued expenses	311,598	341,739	4,512	3,051
VAT payable	103,716	190,403	–	–
Sales-related tax payable	52,124	33,280	–	–
Interest payable on senior notes	166,672	179,900	–	–
Other interest payable	41,710	54,492	–	–
Other payables	1,152,406	1,304,673	–	–
	4,385,440	7,053,490	4,512	3,051
Analysed as:				
– Non-current	308,764	446,072	–	–
– Current	4,076,676	6,607,418	4,512	3,051
	4,385,440	7,053,490	4,512	3,051

25 REVENUE AND CONTRACT LIABILITIES

	GROUP	
	2020 RMB'000	2019 RMB'000
Types of goods or services		
Income from property development – sales of properties	20,960,010	16,786,811
Income from hotel operations	332,894	358,551
Income from property management	813,407	686,829
Income from others	1,006,129	278,967
	23,112,440	18,111,158
Income from property investment – lease of properties	805,635	555,200
Total	23,918,075	18,666,358
Timing of revenue recognition		
A point in time	21,545,118	16,867,442
Over time	1,567,322	1,243,716
Total	23,112,440	18,111,158

The transaction price allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) as at the end of the reporting period and the expected timing of recognising revenue are as follows:

	GROUP	
	2020 RMB'000	2019 RMB'000
Income from property development – sales of properties:		
Revenue expected to be recognised within one year	17,432,313	12,575,818
Revenue expected to be recognised after one year	10,666,715	1,809,940
	28,099,028	14,385,758

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2020

25 REVENUE AND CONTRACT LIABILITIES (Cont'd)

As at 31 December 2020, the Group's contract liabilities arising from sale of properties is as follows:

	GROUP	
	2020 RMB'000	2019 RMB'000
Contract liabilities	23,940,774	11,889,420

The Group receives payments from customers based on billing schedule as established in contracts. Payments are usually received in advance of the performance under the contracts which are mainly from sales of properties.

The amount of revenue recognised that was included in the contract liabilities at the beginning of the year is as follows:

	GROUP	
	2020 RMB'000	2019 RMB'000
Revenue recognised from sales of properties	9,457,919	9,134,916

26 OTHER OPERATING INCOME AND OTHER GAINS

	GROUP	
	2020 RMB'000	2019 RMB'000
Dividend income from financial assets at FVTOCI	12,612	–
Fair value gain on financial asset at FVTPL	210	278
Fair value gain from put liability to acquire non-controlling interests	1,250	167,963
Interest income	560,619	718,990
Net gain on disposal of property, plant and equipment	1,119	–
Net gain on disposal of investment properties	1,436	1,475
Payable written off	–	6,523
Provision for development charge written-back	75,416	–
Gain on bargain purchase (Note 33)	–	1,518,641
Net gain (loss) on remeasurement of retained interests in associates and joint ventures (Note 33)	126,503	(564,459)
Net foreign exchange gain	2,751	–
Government subsidies	12,040	7,718
Compensation income ⁽¹⁾	200,000	–
Others	66,118	41,348
Total	1,060,074	1,898,477

⁽¹⁾ The compensation income resulted from return of partial interest in a property development investment to original shareholder.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2020

27 FINANCE COST

	GROUP	
	2020 RMB'000	2019 RMB'000
Interest on bank and other borrowings	2,274,920	2,010,643
Interest on senior notes	567,656	430,230
Interest on lease liabilities	11,637	4,448
Interest to associates	—	1,140
Interest to joint ventures	101,431	39,001
Interest to non-controlling shareholders of subsidiaries	45,287	45,298
Total borrowing costs	3,000,931	2,530,760
Less: Interest capitalised in		
– properties for development	(190,559)	(208,337)
– properties under development for sale	(1,269,477)	(1,046,584)
Net	1,540,895	1,275,839

28 INCOME TAX

	GROUP	
	2020 RMB'000	2019 RMB'000
Current	1,232,731	1,044,962
Deferred income tax (Note 16)	351,655	501,414
Deferred withholding tax (Note 16)	186,098	96,168
Land appreciation tax ("LAT")	2,060,316	1,929,775
Under provision in prior years	1,520	34,644
Total	3,832,320	3,606,963

In 2020 and 2019, most of the taxation arising in the PRC is calculated at the prevailing rate of 25%.

The income tax expense varied from the amount of income tax expense determined by applying the above income tax rate to profit before income tax as a result of the following differences:

	GROUP	
	2020 RMB'000	2019 RMB'000
Profit before income tax	7,484,676	8,795,062
Income tax expense at PRC applicable tax rate of 25%*	1,871,169	2,198,766
Non-deductible items	296,284	164,661
Non-taxable items	(83,978)	(396,313)
Effect of unutilised tax losses not recognised as deferred tax assets	91,014	198,604
Effect of different tax rates for certain subsidiaries	(22,941)	(132,011)
LAT	2,060,316	1,929,775
Effect of tax deduction on LAT	(515,079)	(481,837)
Withholding tax incurred	186,098	96,168
Under provision in prior years	1,520	34,644
Others	(52,083)	(5,494)
Total income tax expense	3,832,320	3,606,963

* These are the applicable tax rates for most of the Group's taxable profits.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2020

28 INCOME TAX (Cont'd)

Income tax for overseas subsidiaries is calculated at the rates prevailing in the respective jurisdiction.

Income from sale of properties in the PRC is subject to LAT at progressive rates under the PRC provisional regulations. LAT pre-paid on the pre-sale proceeds of properties is included in the "income tax prepayment" on the consolidated statement of financial position and is transferred to income tax expense when the revenue is recognised.

According to a PRC tax circular of State Administration of Taxation, Guoshuihan (2008) No.112, dividend distributed out of the profits generated since January 1, 2008 held by the PRC entity to non-resident investors shall be subject to PRC withholding income tax. Deferred tax liability of RMB171 million (2019 : RMB96 million) in respect of PRC withholding tax on the undistributed earnings of the PRC subsidiaries has been charged to the consolidated statement of profit or loss of the year.

LAT

As disclosed in the prior years' audited consolidated financial statements, provision for the LAT with respect to properties sold in Shanghai Pudong New District prior to October 1, 2006 were not made as the directors of the Company, after taking into account legal advice received and consultation with the local Shanghai Pudong Tax Bureau, were of the opinion that the relevant tax authority is not likely to impose any LAT on a retrospective basis.

As at December 31, 2014, the tax settlement process for a completed project and a phase of a project with properties sold in Shanghai Pudong New District prior to October 1, 2006 had been completed, with additional LAT payments made by the Group. For the projects with properties sold in Shanghai Pudong New District subsequent to October 1, 2006, the tax settlement amount determined by the tax authorities for a phase of a project which has commenced the tax settlement process was lower than what the Group has previously provided for based on the tax laws. Management has assessed and considers that the provision for LAT made by the Group relating to the above projects for which the tax settlement process had commenced or completed was adequate to meet the tax settlement amount determined by the tax authorities.

Management is of the view that it is not probable that the tax authority will impose further LAT tax payments on the above projects located in Shanghai Pudong New District in excess of the provision previously made by the Group. The additional LAT tax exposure in the event of future re-assessment by the tax authorities has been estimated by management to be approximately RMB597 million (2019 : RMB597 million) (before effects of deductibility for income tax assessment purpose and adjustment for non-controlling interests) as at December 31, 2020. The amount has been disclosed as part of the Group's contingent liabilities in accordance with SFRS(I) 1-37 *Provisions, Contingent Liabilities and Contingent Assets* (Note 38).

The actual Group's LAT liabilities are subject to the determination by the tax authorities upon completion of the property development projects.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2020

29 PROFIT FOR THE YEAR

Profit for the year has been arrived at after charging (crediting):

	GROUP	
	2020 RMB'000	2019 RMB'000
Allowance for doubtful debts and bad debts written-off	10	107
Depreciation of property, plant and equipment	236,611	164,422
Depreciation of right-of-use assets	79,419	28,156
 <u>Employee benefits expense (including directors' remuneration):</u>		
Retirement benefit scheme contributions	43,477	111,469
Salaries and other short-term benefits	1,408,654	1,195,829
<u>Total employee benefits expense</u>	<u>1,452,131</u>	<u>1,307,298</u>
 Directors' fees	2,470	2,025
Directors' remuneration recorded in:		
– the Company	40,228	51,613
– the subsidiaries	8,696	6,287
	48,924	57,900
 Net foreign exchange (gain) loss	(2,751)	34,190
<u>Cost of completed properties for sale recognised as expenses</u>	<u>13,457,705</u>	<u>9,812,689</u>
 Audit fees:		
– paid to auditors of the Company	7,522	4,830
– paid to other auditors of the subsidiaries	3,527	6,143
<u>Total audit fees</u>	<u>11,049</u>	<u>10,973</u>
 Non-audit fees:		
– paid to auditors of the Company ⁽¹⁾	912	1,484
– paid to other auditors of the subsidiaries	1,522	788
<u>Total non-audit fees</u>	<u>2,434</u>	<u>2,272</u>
 <u>Aggregate amount of fees paid to auditors</u>	<u>13,483</u>	<u>13,245</u>

⁽¹⁾ In 2019, total non-audit fees paid to auditors of the Company in connection with the issuance of senior notes by the Group have been capitalised in the carrying amount of the senior notes (Note 22).

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2020

30 EARNINGS PER SHARE

The calculation of the basic and diluted earnings per share attributable to the ordinary owners of the Company is based on the following data:

	GROUP	
	2020 RMB'000	2019 RMB'000
<u>Earnings</u>		
Earnings for the purposes of basic and diluted earnings per share (profit attributable to owners of the Company)	<u>2,591,883</u>	<u>3,350,451</u>
<u>Number of shares</u>		
Weighted average number of ordinary shares for the purposes of basic and diluted earnings per share	<u>1,931,535</u>	<u>1,931,535</u>
<u>Earnings per share (Renminbi cents):</u>		
Basic and diluted	<u>134.19</u>	<u>173.46</u>

There is no potential dilutive ordinary share in 2020 and 2019.

31 DIVIDENDS

In 2020, approximately RMB661 million of dividends was paid in respect of a final tax-exempt dividend of 6.80 Singapore cents (equivalent to 34.21 Renminbi cents) per ordinary share declared for the financial year ended December 31, 2019.

In 2019, approximately RMB652 million of dividends was paid in respect of a first and final one-tier tax-exempt dividend of 6.80 Singapore cents (equivalent to 33.76 Renminbi cents) per ordinary share declared for the financial year ended December 31, 2018.

In respect of the current year, the directors proposed a final tax-exempt dividend of 6.80 Singapore cents (equivalent to 34.19 Renminbi cents) per ordinary share amounting to approximately RMB660 million. The dividend is subject to approval by shareholders at the Annual General Meeting and has not been included as a liability in these financial statements.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2020

32 SEGMENT INFORMATION

The Group's reportable operating segments are as follows:

- (i) Property development: Development of residential, commercial and other properties.
- (ii) Property investment and hotel operations: Leasing of properties to generate rental income and to gain from the appreciation in the value of the properties in the long term and operating hotels to generate accommodation service and related income.
- (iii) Property management: Provision of property management and ancillary services.
- (iv) Others: Investment holding, project management business for projects bearing the "Yanlord" brand name, manufacture of die-cast precision parts and components, supply and installation of building materials, provision of system integration for security and surveillance, satellite and telecommunication and others such as sand mining.

Information regarding the operations of each reportable segments are included below. Management monitors the operating results of each operating segment for the purpose of making decisions on resource allocation and performance assessment.

Segment revenue and results

The following is an analysis of the Group's revenue and results by reportable segment:

	GROUP			
	Revenue		Profit (Loss) before income tax	
	2020 RMB'000	2019 RMB'000	2020 RMB'000	2019 RMB'000
Property development	20,960,010	16,786,811	6,584,416	6,594,036
Property investment and hotel operations	1,138,529	913,751	1,474,511	2,072,884
Property management	813,407	686,829	77,770	41,234
Others	1,006,129	278,967	(652,021)	86,908
Total	23,918,075	18,666,358	7,484,676	8,795,062

Segment profit represents the profit earned by each segment as determined using the Group's accounting policy. This is the measure reported to the chief operating decision maker for the purposes of resources allocation and assessment of segment performance.

During the reporting period, the Group has presented its reportable operating segments into four (2019 : three) segments which include (i) property development, (ii) property investment and hotel operations, (iii) property management and (iv) others, to better enhance the users' understanding of the Group's operations. Accordingly, the Group has restated the corresponding items of the comparative segment information for 2019.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2020

32 SEGMENT INFORMATION (Cont'd)

Segment assets

	GROUP	
	2020 RMB'000	2019 RMB'000
Property development	91,148,304	78,417,086
Property investment and hotel operations	34,016,043	32,260,034
Property management	773,628	1,411,614
Others	20,621,850	17,806,575
Total assets	146,559,825	129,895,309

All assets are allocated to reportable segments. Liabilities are not allocated as they are not monitored by the chief operating decision maker for the purposes of resource allocation and assessment of segment performance.

Other segment information

	GROUP			
	Depreciation		Additions to non-current assets	
	2020 RMB'000	2019 RMB'000	2020 RMB'000	2019 RMB'000
Property development	101,478	21,952	2,156,996	7,620,430
Property investment and hotel operations	139,774	131,830	878,247	247,289
Property management	4,335	4,318	5,597	5,212
Others	72,636	9,436	50,202	15,085
Total	318,223	167,536	3,091,042	7,888,016

Geographical information

The Group operates in two principal geographical areas – PRC and Singapore.

The Group's revenue from external customers and information about its segment assets (non-current assets excluding other receivables and deposits, non-trade amounts due from associates, joint ventures and non-controlling shareholders of subsidiaries, financial assets at fair value through other comprehensive income, deferred tax assets and pledged bank deposits) by geographical location are detailed below:

	GROUP			
	Revenue from external customers		Non-current assets	
	2020 RMB'000	2019 RMB'000	2020 RMB'000	2019 RMB'000
PRC	22,815,215	18,515,864	40,353,054	39,031,380
Singapore	703,993	96,829	10,973,250	11,618,340
Others	398,867	53,665	650,297	650,110
Total	23,918,075	18,666,358	51,976,601	51,299,830

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2020

33 ACQUISITION OF SUBSIDIARIES

Acquisition of subsidiaries in 2019

- (a) On July 23, 2019, the Group acquired 85% equity interest in Changshu Future Land Yuexin Property Development Co., Ltd. for a cash consideration of RMB1 and a capital injection of RMB17 million.
- (b) On December 27, 2019, the Group acquired 51% equity interest in Yancheng Real Estate Co., Ltd. for a cash consideration of RMB977 million.
- (c) On October 24, 2019, the Group acquired an additional interest of 51% in Yanlord Investment (Singapore) Pte. Ltd. ("YIS") (formerly known as Yanlord Perennial Investment (Singapore) Pte. Ltd.) for an amount of RMB1.182 billion. Following the acquisition, the Group's interest in YIS has increased from 49% to 100% which resulted in 35.3% and 54.4% effective interests in its associates namely, United Engineers Limited ("UEL") and WBL Corporation Limited ("WBL") respectively. UEL is incorporated in the Republic of Singapore and its shares were previously listed on the Singapore Exchange Securities Trading Limited. Its principal activities are those of a holding company and property owner and the provision of management services and deriving income therefrom.

On November 15, 2019, the Group acquired an additional interest of UEL up to 51.5% which in turn owns effective interest of 65.5% in WBL, pursuant to the mandatory offers made by YIS for all the issued and paid-up ordinary stock units and preference shares in the capital of UEL in accordance with the Singapore Code on Take-overs and Mergers. Consequently, UEL and WBL have become the subsidiaries of the Group on the same date.

In respect of acquisition of UEL and WBL, the net fair value of identifiable assets acquired and liabilities assumed exceeded the aggregate of the fair value of consideration transferred, the non-controlling interests and the fair value of any previously held equity interests at the dates of the acquisitions (i.e. October 24, 2019 and November 15, 2019), hence resulting in gain on bargain purchase of RMB1.519 billion, net of loss on remeasurement of retained interests in associates and joint venture of RMB564 million recognised for the difference between the acquisition-dates fair value of the Group's retained interests and the carrying amounts in UEL, WBL and YIS, being associates and joint venture of the Group.

Acquisition of subsidiaries in 2020

- (a) On April 30, 2020, the Group entered into agreement with a shareholder of a joint venture, Tianjin Hehai which agreed to act-in-concert with the Group in relation to the relevant operating and financial activities of Tianjin Hehai. As a result, the Group obtained control over Tianjin Hehai, an entity previously held as a 60% joint venture and Tianjin Hehai became a 60% subsidiary of the Group. The details on this change of control from a joint venture to a subsidiary is presented in Note 35.
- (b) On July 31, 2020, the Group acquired 51% equity interest in Yancheng Property Development Co., Ltd. ("Yancheng Property") for a cash consideration of RMB981 million.
- (c) On August 6, 2020, the Group acquired 100% equity interest in Suzhou Rendao Enterprise Management Co., Ltd. ("Suzhou Rendao") for a cash consideration of RMB60 million in return an additional of 20% equity interest in a joint venture, Suzhou Rentong Property Development Co., Ltd. ("Suzhou Rentong"). Following the transaction, the Group's interest in Suzhou Rentong has increased from 40% to 60% and became a 60% subsidiary of the Group. The details on this change of control from a joint venture to a subsidiary is presented in Note 35.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2020

33 ACQUISITION OF SUBSIDIARIES (Cont'd)

Acquisition of subsidiaries in 2020 (Cont'd)

- (d) As a result of change of articles of association of Nanjing Yilan on November 5, 2020, the Group obtained control over Nanjing Yilan, an entity previously held as a 50% joint venture. Following the change, Nanjing Yilan became a 50% subsidiary of the Group. The details on this change of control from a joint venture to a subsidiary is presented in Note 35.
- (e) On November 30, 2020, the Group entered into agreement with shareholders of a joint venture, Hangzhou Kesheng which agreed to act-in-concert with the Group in relation to the relevant operating and financial activities of Hangzhou Kesheng. As a result, the Group obtained control over Hangzhou Kesheng, an entity previously held as a 30% joint venture and Hangzhou Kesheng became a 30% subsidiary of the Group. The details on this change of control from a joint venture to a subsidiary is presented in Note 35.

The Group's intention was to acquire the land and vacated properties held by Tianjin Hehai, Yancheng Property and Nanjing Yilan and the Group did not take over any management or operational process from the vendors as it intends to develop and sell the properties. The acquisitions were accounted for as acquisition of assets and were out of scope of SFRS(I) 3 *Business Combinations*. The acquisitions of the remaining subsidiaries during the year were accounted for as acquisition of business under SFRS(I) 3.

Had the business combination during the year been effected at January 1, 2020, the Group's revenue would have been RMB23.917 billion (2019 : RMB20.426 billion), and the profit for the year would have been RMB3.652 billion (2019 : RMB5.979 billion).

The following summarises the recognised amounts of assets acquired and liabilities assumed at the acquisition dates:

	GROUP	
	2020 RMB'000	2019 RMB'000
Non-current assets	1,914,059	14,697,833
Current assets	18,642,364	9,245,776
Non-current liabilities	(790,087)	(4,837,863)
Current liabilities	(16,639,056)	(7,734,216)
Net assets at date of acquisition	3,127,280	11,371,530
Non-controlling interests	(1,959,969)	(6,460,786)
Net assets acquired	1,167,311	4,910,744
Gain on bargain purchase, net of net (gain) loss on remeasurement of retained interests in associates and joint ventures	(126,503)	(954,182)
Total consideration	1,040,808	3,956,562
Consideration payable	(308,890)	(305,462)
Cash consideration paid in current year for the acquisition in previous years	–	40,000
Cash acquired	(1,674,229)	(1,331,758)
Net cash (inflow) outflow arising from acquisition of subsidiaries	(942,311)	2,359,342

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2020

34 CHANGE OF CONTROL FROM SUBSIDIARIES TO JOINT VENTURES

Change of control from subsidiaries to joint ventures in 2019

The Group lost control over Shanghai Rensheng Real Estate Co., Ltd. ("Shanghai Rensheng"), which owns a 51% interest in a subsidiary, Shanghai Yanlord Investment Management Co., Ltd. ("Shanghai Investment"), as a result of a disposal of 95% interest in the wholly owned subsidiary, Shanghai Rensheng, with effect from June 21, 2019. The remaining 49% interest in Shanghai Investment is held by Yanlord (China) Investment Group Co., Ltd., a wholly owned subsidiary of the Group. Following the change of control over Shanghai Rensheng, the Group lost control over Shanghai Investment and its wholly-owned subsidiary, Shanghai Zhongting Property Development Co., Ltd. ("Shanghai Zhongting"). Accordingly, Shanghai Rensheng, Shanghai Investment and Shanghai Zhongting ceased to be subsidiaries of the Group and are classified as joint ventures. The Group's effective interest in Shanghai Rensheng, Shanghai Investment and Shanghai Zhongting reduced to 5%, 51.6% and 51.6% respectively. Consequently, Shanghai Rensheng, Shanghai Investment and Shanghai Zhongting were deconsolidated and are equity accounted for in the consolidated financial statements.

The Group lost control over Hainan Yanlord Beautycrown Cultural Tourism Development Co., Ltd. ("Hainan Beautycrown"), as a result of changes in the article of association of Hainan Beautycrown with effect from November 5, 2019. Accordingly, Hainan Beautycrown ceased to be a subsidiary of the Group and is classified as a joint venture. The Group's effective interest in Hainan Beautycrown is 55%. Consequently, Hainan Beautycrown was deconsolidated and is equity accounted for in the consolidated financial statements.

The Group lost control over Hangzhou Renhang Property Management Co., Ltd. ("Hangzhou Renhang"), as a result of a disposal of 50% interest in this wholly-owned subsidiary with effect from May 13, 2019. Accordingly, the Hangzhou Renhang ceased to be a subsidiary of the Group and is classified as joint venture. The Group's effective interest in Hangzhou Renhang reduced to 50%. Consequently, Hangzhou Renhang was deconsolidated and is equity accounted for in the consolidated financial statements.

Change of control from subsidiaries to joint ventures in 2020

The Group lost control over Shanghai Renjie Hebin Garden Property Co., Ltd. ("Shanghai Renjie"), as a result of disposal of 1% interest in Shanghai Renjie with effect from March 16, 2020. Accordingly, Shanghai Renjie ceased to be a subsidiary of the Group and is classified as a joint venture. The Group's effective interest in Shanghai Renjie is 50%. Consequently, Shanghai Renjie was deconsolidated and is equity accounted for in the consolidated financial statements.

The Group lost control over Shanghai Renchong Real Estate Co., Ltd. ("Shanghai Renchong") and its wholly-owned subsidiary, Shanghai Renjia Property Development Co., Ltd. ("Shanghai Renjia") as a result of capital injection to Shanghai Renchong by joint venture partners with effect from June 28, 2020. Accordingly, Shanghai Renchong and Shanghai Renjia ceased to be subsidiaries of the Group and are classified as joint ventures. The Group's effective interest in Shanghai Renchong and Shanghai Renjia reduced to 27.5%. Consequently, Shanghai Renchong and Shanghai Renjia were deconsolidated and are equity accounted for in the consolidated financial statements.

The Group lost control over Hangzhou Renrui Property Development Co., Ltd. ("Hangzhou Renrui"), as a result of dilution of interest in Hangzhou Renrui by joint venture partner with effect from June 30, 2020. Accordingly, Hangzhou Renrui ceased to be a subsidiary of the Group and is classified as a joint venture. The Group's effective interest in Hangzhou Renrui is 45.5%. Consequently, Hangzhou Renrui was deconsolidated and is equity accounted for in the consolidated financial statements.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2020

34 CHANGE OF CONTROL FROM SUBSIDIARIES TO JOINT VENTURES (Cont'd)

Change of control from subsidiaries to joint ventures in 2020 (Cont'd)

The Group lost control over Xingheng (Shenzhen) Investment Management Co., Ltd. ("Shenzhen Xingheng") and its wholly-owned subsidiary, Haikou Yanlord Property Co., Ltd. ("Haikou Property"), as a result of capital injection to Shenzhen Xingheng by joint venture partner with effect from July 5, 2020. Accordingly, Shenzhen Xingheng and Haikou Property ceased to be subsidiaries of the Group and are classified as joint ventures. The Group's effective interest in Shenzhen Xingheng and Haikou Property reduced to 70%. Consequently, Shenzhen Xingheng and Haikou Property were deconsolidated and are equity accounted for in the consolidated financial statements.

The following summarises the details of the change of control:

	GROUP	
	2020 RMB'000	2019 RMB'000
Non-current assets	1,467,644	11,949,505
Current assets	7,305,774	695,698
Non-current liabilities	(8,193)	(8,505,055)
Current liabilities	(8,678,366)	(4,023,321)
Net assets at date of change of control	86,859	116,827
Non-controlling interests	(61,881)	(36,932)
Net assets derecognised	24,978	79,895
Gain (Loss) on change of control		
Consideration received	–	–
Net asset derecognised	(24,978)	(79,895)
Fair value of retained interest	24,978	79,895
–	–	–
Net cash outflow arising from change of control		
Consideration received	–	–
Cash and cash equivalents derecognised	(107,938)	(33,956)
–	(107,938)	(33,956)

35 CHANGE OF CONTROL FROM JOINT VENTURES TO SUBSIDIARIES

In 2019, the Group acquired an additional interest of 51% in YIS for an amount of RMB1.182 billion which was fully paid. Following the transaction, the Group's interest in YIS increased from 49% to 100%. Consequently, the Group reclassified YIS from a joint venture to a subsidiary.

In 2020, the Group entered into agreements with shareholders of two joint ventures, Tianjin Hehai and Hangzhou Kesheng that the shareholders agreed to act-in-concert with the Group in relation to the relevant operating and financial activities of Tianjin Hehai and Hangzhou Kesheng. Accordingly, the Group obtained control over these two entities and reclassified them from joint ventures to subsidiaries.

In 2020, the Group acquired 100% equity interest in Suzhou Rendao for a cash consideration of RMB60 million in return an additional of 20% equity interest in a joint venture, Suzhou Rentong. Following the transaction, the Group's interest in Suzhou Rentong has increased from 40% to 60%. Consequently, the Group reclassified Suzhou Rentong from a joint venture to a subsidiary.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2020

35 CHANGE OF CONTROL FROM JOINT VENTURES TO SUBSIDIARIES (Cont'd)

In 2020, articles of association of Nanjing Yiyan changed. Accordingly, all matters, other than protective rights such as changing of articles of association, capital injection and reduction of Nanjing Yiyan and merger and separation, only require a simple majority vote from the shareholders. Consequently, the Group reclassified Nanjing Yiyan from a joint venture to a subsidiary.

The following summarises the details of the change of control:

	GROUP	
	2020 RMB'000	2019 RMB'000
Non-current assets	138,646	4,810,730
Current assets	18,494,445	108,061
Non-current liabilities	(790,087)	–
Current liabilities	(16,639,055)	(2,173,240)
Net assets at date of change of control	1,203,949	2,745,551
Non-controlling interests	(1,017,545)	–
Net assets recognised	186,404	2,745,551
Gain on change of control		
Consideration paid for additional interest	59,901	1,184,435
Consideration paid for previously held equity interest	–	1,398,870
Fair value of acquired interest	(186,404)	(2,745,551)
	(126,503)	(162,246)

The assets acquired and liabilities assumed as at the date of change of control shown above are included in the summary table as presented under Note 33.

36 OPERATING LEASE ARRANGEMENTS

The Group as lessor

Operating leases, in which the Group is the lessor, relate to investment properties and certain other properties owned by the Group with lease terms of less than 1 year to 16 years. The lessee does not have an option to purchase the property at the expiry of the lease period.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2020

36 OPERATING LEASE ARRANGEMENTS (Cont'd)

Maturity analysis of operating lease payments:

	GROUP	2020 RMB'000	2019 RMB'000
Year 1		670,802	679,816
Year 2		566,698	518,001
Year 3		393,074	379,210
Year 4		225,972	240,562
Year 5		155,029	95,780
Year 6 and onwards		1,028,428	83,123
		3,040,003	1,996,492

37 CAPITAL EXPENDITURE COMMITMENTS

Amounts committed for future capital expenditure but not provided for in the financial statements:

	GROUP	2020 RMB'000	2019 RMB'000
Investment properties		686,965	1,117,394
Acquisition of land use rights		772,611	800,364
Investments in joint ventures		47,416	224,695
Others		20,993	39,198
		1,527,985	2,181,651

38 CONTINGENCIES AND GUARANTEES

As at December 31, 2020, the Group has provided guarantees of approximately RMB13.159 billion (2019 : RMB6.502 billion) to banks for the benefit of its customers in respect of mortgage loans provided by the banks to these customers for the purchase of the Group's development properties. Should such guarantees be called upon, there would be an outflow of cash (previously collected by the Group) from the Group to the banks to discharge the obligations. Management has made enquiries with the banks and considered the profile of customers who bought the Group's properties and concluded that the likelihood of these guarantees being called upon is low. These guarantees provided by the Group to the banks would be released upon receiving the building ownership certificate of the respective properties by the banks from the customers as security for the mortgage loan granted.

As described in Note 28, the additional LAT tax exposure in the event of future re-assessment by the tax authorities has been estimated by management to be approximately RMB597 million (2019 : RMB597 million) (before effects of deductibility for income tax assessment purpose and adjustment for non-controlling interests) as at December 31, 2020.

As at December 31, 2019, a subsidiary of the Company had provided a joint guarantee to a lender in respect of a loan facility granted to a joint venture amounting to RMB599 million. The subsidiary's contingent liability as at December 31, 2019 for this joint guarantee was limited to an amount of RMB380 million. During the year, the Group reclassified this joint venture to a subsidiary.

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2020

38 CONTINGENCIES AND GUARANTEES (Cont'd)

As at December 31, 2019, a subsidiary of the Company had provided a joint guarantee to banks in respect of a loan facility granted to a joint venture amounting to RMB1.188 billion. The subsidiary's contingent liability as at December 31, 2019 for this joint guarantee was limited to an amount of RMB1.136 billion. During the year, the Group reclassified this joint venture to a subsidiary.

As at December 31, 2019, a subsidiary of the Company had provided a guarantee to banks in respect of a loan facility granted to a joint venture amounting to RMB12.900 billion. The subsidiary's contingent liability as at December 31, 2019 for this joint guarantee was limited to an amount of RMB8.500 billion. During the year, the guarantee was released by banks.

As at December 31, 2019, a subsidiary of the Company had provided a joint guarantee to a lender in respect of a loan facility granted to a joint venture amounting to RMB921 million. The subsidiary's contingent liability as at December 31, 2019 for this joint guarantee was limited to an amount of RMB850 million. During the year, the loan and interest payable were fully repaid and the loan facility was cancelled accordingly.

As at December 31, 2019, a subsidiary of the Company had provided a joint guarantee to a bank in respect of a loan facility granted to a joint venture amounting to RMB350 million. The subsidiary's contingent liability as at December 31, 2019 for this joint guarantee was limited to an amount of RMB225 million. During the year, the loan and interest payable were fully repaid and the loan facility was cancelled accordingly.

As at December 31, 2020, a subsidiary of the Company has provided a joint guarantee to a bank in respect of a loan facility granted to a joint venture amounting to RMB287 million (2019 : RMB600 million) for a remaining term of less than two years up to March 19, 2022. The subsidiary's contingent liability as at December 31, 2020 for this joint guarantee is limited to an amount of RMB348 million (2019 : RMB300 million).

As at December 31, 2020, a subsidiary of the Company has provided a joint guarantee to banks in respect of a loan facility granted to a joint venture amounting to RMB163 million (2019 : RMB236 million) for a remaining term of less than two years up to August 20, 2022. The subsidiary's contingent liability as at December 31, 2020 for this joint guarantee is limited to an amount of RMB107 million (2019 : RMB179 million).

As at December 31, 2020, a subsidiary of the Company has provided a joint guarantee to banks in respect of a loan facility granted to a joint venture amounting to RMB167 million for a remaining term of less than four years up to July 22, 2024. The subsidiary's contingent liability as at December 31, 2020 for this joint guarantee is limited to an amount of RMB39 million.

As at December 31, 2020, a subsidiary of the Company has provided a joint guarantee to a bank in respect of a loan facility granted to an associate amounting to RMB834 million (2019 : RMB1.750 billion) for a remaining term of less than two years up to December 26, 2022. The subsidiary's contingent liability as at December 31, 2020 for this joint guarantee is limited to an amount of RMB814 million (2019 : RMB1.710 billion).

As at December 31, 2020, a subsidiary of the Company has provided a joint guarantee to a bank in respect of a loan facility granted to an associate amounting to RMB489 billion for a remaining term of less than three years up to June 15, 2023. The subsidiary's contingent liability as at December 31, 2020 for this joint guarantee is limited to an amount of RMB109 million.

As at December 31, 2020, a subsidiary of the Company has provided a joint guarantee to a bank in respect of a loan facility granted to a joint venture amounting to RMB250 million (2019 : RMB1.000 billion) for a remaining term of less than two years up to June 13, 2022. The subsidiary's contingent liability as at December 31, 2020 for this joint guarantee is limited to an amount of RMB250 million (2019 : RMB1.000 billion).

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2020

38 CONTINGENCIES AND GUARANTEES (Cont'd)

As at December 31, 2020, a subsidiary of the Company has provided a joint guarantee to a bank in respect of a loan facility granted to an associate amounting to RMB307 million (2019 : RMB321 million) for a remaining term of less than two years up to March 12, 2022. The subsidiary's contingent liability as at December 31, 2020 for this joint guarantee is limited to an amount of RMB146 million (2019 : RMB54 million).

As at December 31, 2020, the Company and two subsidiaries of the Company have provided joint guarantee to a bank in respect of a loan facility granted to a joint venture amounting to RMB595 million for a remaining term of less than three years up to July 19, 2023. The subsidiary's contingent liability as at December 31, 2020 for this joint guarantee is limited to an amount of RMB589 million.

As at December 31, 2020, two subsidiaries of the Company have provided a joint guarantee to a bank in respect of a loan facility granted to a joint venture amounting to RMB90 million for a remaining term of less than fifteen years up to April 20, 2035. The subsidiaries' contingent liability as at December 31, 2020 for this joint guarantee is limited to an amount of RMB10 million.

Management is of the view that the fair value of the financial guarantees provided by the Group and the Company are not significant.

39 IMPACT OF COVID-19

The outbreak of the COVID-19 pandemic in early 2020 has resulted in the lockdown of cities and closure of borders, which inevitably impacted the performance and outlook of global economies in the near term. Nevertheless, in PRC, where the Group's main operations are located, all of the Group's offices and sales centres in the PRC resumed works progressively from late February 2020, followed by the resumption of all construction sites by April 2020.

In Singapore, the Group's businesses which were deemed as providing essential services continued its operations during the circuit breaker period from April 2020 till July 2020 and on-site property sales and construction activities resumed after June 16, 2020 and July 25, 2020 respectively in line with the government's progressive relaxation of lockdown measures. Throughout the pandemic, safe management measures imposed by the government are strictly complied with.

Management has assessed that the Group is still able to maintain sufficient liquidity to enable the Group to continue on as a going concern for at least the next 12 months from the date of authorisation of these financial statements. The Group will closely monitor the development of the pandemic and continuously assess the potential impact on its operation.

INTERESTED PERSON TRANSACTIONS

Interested person transactions entered into during the financial year under review, which fall under Rule 907 of the Listing Manual of the Singapore Exchange Securities Trading Limited ("Listing Manual"), are as follows:

Name of interested person	Nature of relationship	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than \$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than \$100,000)
Yanlord Holdings Pte. Ltd.	An associate ¹ of Zhong Sheng Jian, a director and controlling shareholder of Yanlord Land Group Limited ("Company"), as well as an associate ¹ of Zhong Ming and Zhong Iek Ka, both directors of the Company	RMB14,191,186	NA ²
Zhong Si Nuo	An associate ¹ of Zhong Sheng Jian, a director and controlling shareholder of the Company, as well as an associate ¹ of Zhong Ming and Zhong Iek Ka, both directors of the Company	RMB51,419,300	NA ²
Total		RMB65,610,486	NA²

Notes:

¹ "Associate" has the meaning ascribed to it in the Listing Manual.

² NA: Not applicable

The Company has not obtained a general mandate from its shareholders for interested person transactions.

Save as disclosed above, there was no material contract entered into by the Company and its subsidiaries involving the interests of the chief executive officer or any director or controlling shareholder of the Company, either still subsisting at the end of the financial year under review or entered into since the end of the previous financial year.

SHAREHOLDING STATISTICS

AS AT MARCH 1, 2021

Class of Shares	:	Ordinary shares
Number of Shares Issued (including Treasury Shares)	:	1,948,736,476
Issued and Paid-up Share Capital	:	S\$1,482,552,080
Number of Treasury Shares	:	17,201,100 (representing approximately 0.89% of the total number of ordinary shares, excluding treasury shares)
Number of Subsidiary Holdings ¹	:	Nil
Voting Rights	:	One vote per ordinary share

Yanlord Land Group Limited ("Company") cannot exercise any voting rights in respect of ordinary shares held by it as treasury shares.

DISTRIBUTION OF SHAREHOLDINGS

Size of Shareholdings	No. of Shareholders	Percentage (%)	No. of Shares	Percentage (%)
1 – 99	11	0.18	102	0.00
100 – 1,000	513	8.08	456,211	0.03
1,001 – 10,000	3,984	62.77	22,421,146	1.16
10,001 – 1,000,000	1,811	28.53	90,247,897	4.67
1,000,001 and above	28	0.44	1,818,410,020	94.14
TOTAL	6,347	100.00	1,931,535,376	100.00

TWENTY LARGEST SHAREHOLDERS

No.	Name	No. of Shares	Percentage (%) ²
1	YANLORD HOLDINGS PTE. LTD.	1,278,390,000	66.19
2	DBS NOMINEES (PRIVATE) LIMITED	171,323,311	8.87
3	CITIBANK NOMINEES SINGAPORE PTE LTD	97,670,263	5.06
4	UOB KAY HIAN PRIVATE LIMITED	73,958,100	3.83
5	DBSN SERVICES PTE. LTD.	48,028,521	2.49
6	RAFFLES NOMINEES (PTE.) LIMITED	31,256,610	1.62
7	MORGAN STANLEY ASIA (SINGAPORE) SECURITIES PTE LTD	25,064,200	1.30
8	DB NOMINEES (SINGAPORE) PTE LTD	15,256,595	0.79
9	BNP PARIBAS NOMINEES SINGAPORE PTE. LTD.	15,010,000	0.78
10	HSBC (SINGAPORE) NOMINEES PTE LTD	10,708,486	0.55
11	BPSS NOMINEES SINGAPORE (PTE.) LTD.	6,343,977	0.33
12	OCBC SECURITIES PRIVATE LIMITED	5,006,500	0.26
13	PHILLIP SECURITIES PTE LTD	4,771,000	0.25
14	WANG NANHUA	4,648,700	0.24
15	KHENG LEONG COMPANY (PRIVATE) LIMITED	4,416,700	0.23
16	MAYBANK KIM ENG SECURITIES PTE. LTD.	4,098,914	0.21
17	UNITED OVERSEAS BANK NOMINEES (PRIVATE) LIMITED	3,940,600	0.20
18	ONG ENG LOKE	3,340,000	0.17
19	HEXACON CONSTRUCTION PTE LTD	2,571,971	0.13
20	TAN SHOOK YNG	2,270,000	0.12
TOTAL		1,808,074,448	93.61

SHAREHOLDING STATISTICS

AS AT MARCH 1, 2021

SUBSTANTIAL SHAREHOLDERS

As stated in the Register of Substantial Shareholders

Name	Direct Interest		Deemed Interest		Total Interest	
	No. of Shares	Percentage (%) ²	No. of Shares	Percentage (%) ²	No. of Shares	Percentage (%) ²
YANLORD HOLDINGS PTE. LTD. ³	1,278,390,000	66.19	–	–	1,278,390,000	66.19
ZHONG SHENG JIAN ³	82,506,500	4.27	1,278,390,000	66.19	1,360,896,500	70.46

Notes:

¹ "Subsidiary holdings" is defined in the Listing Manual of the Singapore Exchange Securities Trading Limited to mean shares referred to in Sections 21(4), 21(4B), 21(6A) and 21(6C) of the Companies Act, Chapter 50 of Singapore.

² Percentages calculated based on share capital of the Company as at March 1, 2021, excluding treasury shares and rounded to the nearest two (2) decimal places.

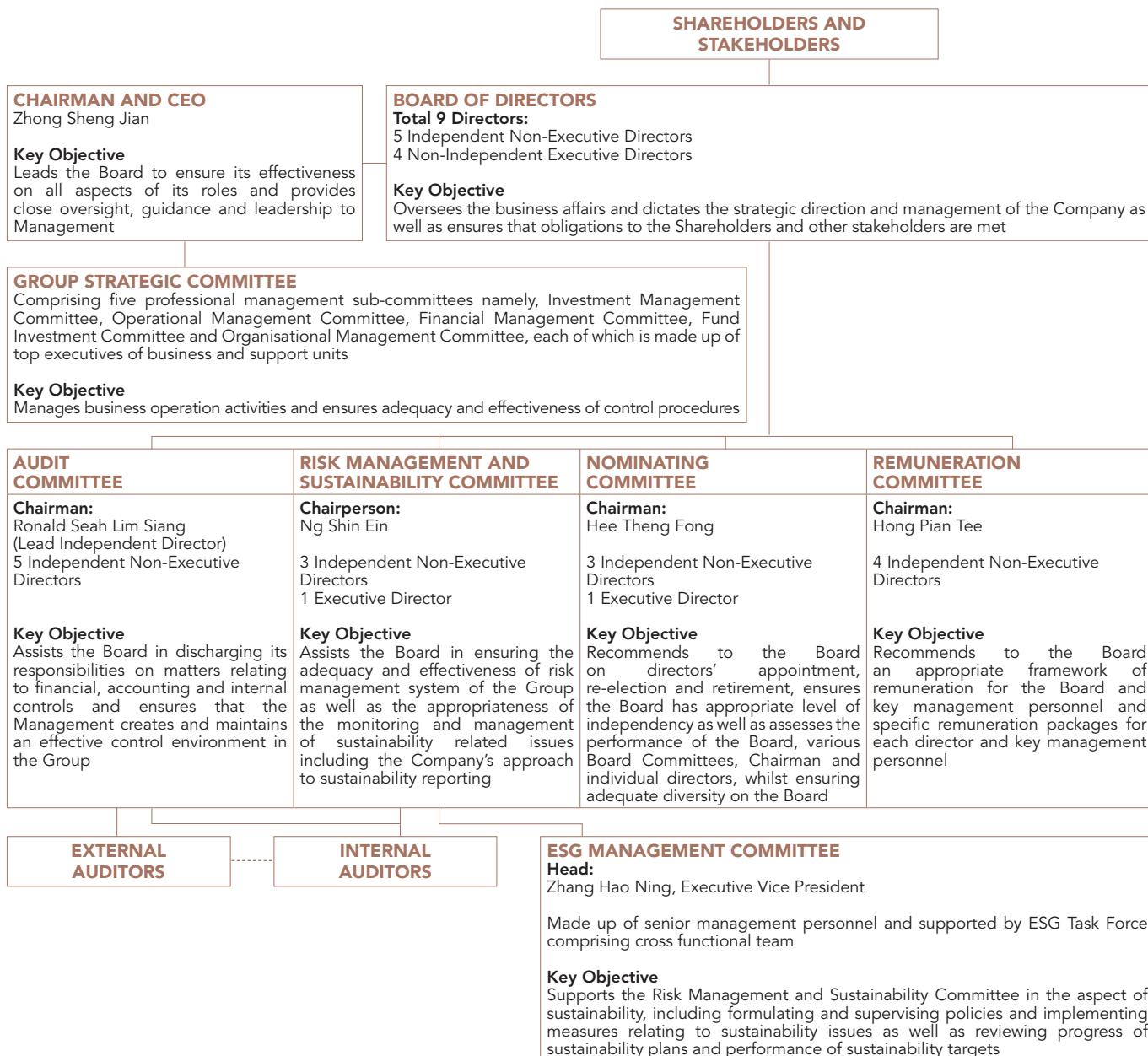
³ Zhong Sheng Jian is a substantial shareholder of the Company via his deemed interest of 1,278,390,000 ordinary shares in the Company held by Yanlord Holdings Pte. Ltd. ("YHPL"). YHPL is a company which is owned by Zhong Sheng Jian (95% shareholding interest) and his spouse (5% shareholding interest).

Based on the information available to the Company as at March 1, 2021, approximately 27% of the issued ordinary shares (excluding treasury shares) of the Company is held by the public and accordingly, Rule 723 of the Listing Manual of the Singapore Exchange Securities Trading Limited has been complied with.

CORPORATE GOVERNANCE

Yanlord Land Group Limited ("Company" and together with its subsidiaries, "Group") is committed to achieving high standards of corporate governance to support long-term shareholder value, whilst taking into account the interests of other stakeholders. The board of directors of the Company ("Board") and management of the Group ("Management") believe that good corporate governance is key to the integrity of the Group and essential to the sustainability of the Group's businesses and performance. In line with Rule 710 of the Listing Manual of the Singapore Exchange Securities Trading Limited ("Listing Manual"), this statement outlines the Company's corporate governance practices with specific reference to the principles and provisions set out in the Code of Corporate Governance 2018 ("Code"). The Company has complied in all material respects with principles and provisions in the Code and variations in any specific areas of the provisions are stated and accordingly explained in this statement.

CORPORATE GOVERNANCE STRUCTURE



CORPORATE GOVERNANCE

BOARD MATTERS

Principle 1: The Board's Conduct of Affairs

The Company is headed by an effective Board which is collectively responsible and works with Management for the long-term success of the Company.

Roles and Principal Functions of the Board

The Board oversees the business affairs and dictates the strategic direction and management of the Company through reviews of, among others, the financial performance, risk management system and internal controls of the Group as well as succession plan and compensation framework, whilst considering sustainability issues as part of the Group's strategy. All directors objectively discharge their duties and responsibilities at all times as fiduciaries of the Company and act honestly with diligence, and in the best interests of the Company. The Board holds Management accountable for performance of the Group and ensures its obligations to the shareholders of the Company ("Shareholders") and other stakeholders are met. The principal functions of the Board include, among others:

- (a) providing entrepreneurial leadership, setting the Group's corporate and strategic objectives, and monitoring progress (including to ensure that the necessary resources are in place) towards achieving these objectives;
- (b) overseeing and ensuring the adequacy and effectiveness of the Group's risk management system and internal controls (including financial, operational, compliance and information technology controls) framework and standards so as to safeguard the Company's assets;
- (c) ensuring the appropriateness of the monitoring and management of the Group's sustainability related issues and the Company's approach to sustainability reporting; and
- (d) constructively challenging the Management and supervising the overall management and performance of the business and affairs of the Group.

Conflict of Interest

Directors avoid situations in which their own personal or business interests directly or indirectly conflict, or appear to conflict, with the interests of the Group. In the event of a conflict of interest situation arising in respect of a matter under consideration by the Board and/or any of the Board's committees ("Board Committees"), directors facing conflicts of interest comply with relevant disclosure obligations and recuse themselves from participating in any discussion and decision concerning the matter in issue. Interested person transactions, if any, are reported to the Audit Committee ("AC") and the Board to ensure that such transactions are conducted fairly and on arm's length basis, with terms which are fair and reasonable and are not prejudicial to the interests of the Company and its minority Shareholders. If necessary, Shareholders' approval will also be sought in accordance with the requirements set out in the Listing Manual.

Training and Development for the Board

A director, upon appointment, will be provided with a formal letter setting out his/her duties and obligations as a director and relevant materials or information on the Group's business and structure, governance practices, sustainability and corporate social initiatives as well as the Board and Board Committees including terms of reference of various Board Committees are enclosing therewith to facilitate the new director's understanding. Newly appointed director is also required to sign the prescribed undertaking to use his/her best endeavours to comply with the requirements of the Listing Manual. A formal letter and relevant materials were furnished to the newly-appointed executive director, Zhong Iek Ka, upon his appointment in June 2020 and being a first-time director of a listed issuer, he has undergone training on the roles and responsibilities of a director of a listed issuer as prescribed by the Singapore Exchange. The directors visit the development sites of the Group and meet the local management team as and when necessary.

CORPORATE GOVERNANCE

The directors have also been provided with further explanation and information on any aspect of the Group's operation or business issues from Management at Board meetings or as and when so requested by the directors and receive relevant briefings and updates, particularly on relevant new laws and regulations including any key changes made to any financial reporting standards, and changing commercial risks, from time to time. To ensure directors can fulfil their obligations and to continually improve the performance of the Board, directors are encouraged to undergo training sessions, conferences, workshops and/or seminars conducted by external organisations and the Company shall be responsible for funding for any such training or development programmes. In 2020, the Company has arranged for directors to attend "SID Annual Corporate Governance Roundup 2020" and "SID Directors Virtual Conference" organised by Singapore Institute of Directors, and the relevant fees are borne by the Company.

Matters Requiring Board Approval

The Board approves significant corporate matters including matters in relation to financing, investments and divestments, major undertakings, annual budget, financial results, dividend payout, issuances of securities, change of composition of Board and/or Board Committees, sustainability and all matters or transactions requiring the Board's deliberation or decision such as interested persons transactions, share buyback, etc. The matters which are specifically decided on and approved by the Board are duly recorded and communicated to the Management. Financial authorisation and approval limits are established for the day-to-day transactions to facilitate operational efficiency.

Delegation of Authority to Board Committees

The Board understands its accountability to the Shareholders for the Group's performance, and Management understands its role and is accountable to the Board. To facilitate effective management, certain functions of the Board have been delegated, without abdicating the responsibility of the Board, to various Board Committees namely, the AC, the Nominating Committee ("NC"), the Remuneration Committee ("RC") and the Risk Management and Sustainability Committee ("RMSC") (previously known as Risk Management Committee ("RMC")). Each of the Board Committees reviews and makes decisions on matters within their respective written terms of reference and reports to the Board with their decisions or recommendations.

Meetings of Board and Board Committees

To facilitate meaningful participation, the schedule of meetings of the Board and Board Committees for the next calendar year is planned well in advance in consultation with the directors. *Ad hoc* meetings of the Board and Board Committees may be convened, if warranted by circumstances. The Company's Constitution are sufficiently flexible to allow a director to participate at a meeting via conference telephone, video conferencing, audio visual, or other similar communications equipment by means of which all persons participating in the meeting can hear each other. Directors are provided with relevant meeting materials prior to the meeting(s) and any director who is unable to attend the meeting(s) of the Board or of the Board Committees may raise his/her views on the agenda to the Board or the Board Committees separately. The Board and Board Committees may also make decisions by way of circulating resolutions in lieu of a meeting. In the course of the financial year under review, the Company adopted half-yearly reporting approach for its unaudited financial results and the meetings' schedule has been adjusted accordingly. The details of the number of meetings held and attended by each of the members of the Board and Board Committees are set out below:

CORPORATE GOVERNANCE

Director	Board Meeting		AC Meeting		NC Meeting		RC Meeting		RMC Meeting	
	Held*	Attendance	Held*	Attendance	Held*	Attendance	Held*	Attendance	Held*	Attendance
Zhong Sheng Jian	2	2	—	—	1	1	—	—	1	1
Zhong Siliang	2	2	—	—	—	—	—	—	—	—
Chan Yiu Ling ¹	1	1	—	—	—	—	—	—	—	—
Zhong Ming	2	2	—	—	—	—	—	—	—	—
Zhong Iek Ka ²	1	1	—	—	—	—	—	—	—	—
Ronald Seah Lim Siang	2	2	2	2	1	1	1	1	—	—
Ng Shin Ein	2	1	2	1	—	—	1	1	1	1
Hee Theng Fong ³	2	2	1	1	1	1	—	—	1	1
Hong Pian Tee	2	2	2	2	—	—	1	1	1	1
Teo Ser Luck ⁴	1	1	1	1	—	—	—	—	—	—

Notes:

- ¹ Chan Yiu Ling stepped down from the Board as an executive director at the conclusion of the Annual General Meeting of the Company ("AGM") held on June 29, 2020.
- ² Zhong Iek Ka was appointed as an executive director on June 29, 2020.
- ³ Hee Theng Fong was appointed as a member of the AC on February 26, 2020.
- ⁴ Teo Ser Luck was appointed as an independent non-executive director, a member of the AC, a member of the NC and a member of the RC on February 26, 2020.
- * Reflects the number of meetings held while each director was in office.
- Indicates that the director was not a member of that committee during the financial year under review.

Access to Information

Management ensures that the Board will be provided with complete, adequate and timely information, in order for the directors to discharge their duties efficiently and effectively. In line with the Group's commitment to the conservation of the environment, the Board and Board Committees are no longer provided with printed copy of meeting papers. Instead, documents including financial results together with press releases, other relevant reports/papers on proposed dividend, pre-sales, debts structure, financial covenants and budget variance, as well as relevant background information and documents relating to items of business to be discussed at Board and/or Board Committees' meetings such as internal audit progress reports, sustainability reports, disclosure of directors' interests, any financing activities or corporate actions and interested person transactions memorandum(s), and etc. are uploaded to a secure electronic portal prior to the scheduled meetings for the directors' viewing, consideration and discussion. Despite the Company has adopted half-yearly reporting approach for its unaudited financial results, the directors are provided with updates on the pre-sale proceeds and internal audit progress reports on a quarterly basis. The directors are also provided with relevant key updates on the Group's business plan and strategy, latest market developments and industry trends. Relevant information on material events or transactions are provided to the directors as and when they arise. Annual budget together with budget variance reports are provided on a yearly basis. Directors are entitled to request from Management and be provided with such additional information as needed to make informed and timely decisions.

CORPORATE GOVERNANCE

Access to Management, Company Secretary and Professional Advice

The Chairman of the Board ("Chairman") and Chief Executive Officer ("CEO"), the Group Financial Controller, the internal and external auditors and the company secretary are available to address any queries that the directors may have at the meetings and as and when necessary. The Board has separate and independent access to Management and/or the company secretary through face-to-face meetings, electronic mail, telephone, video conference or by other means of communication application as and when required.

The company secretary attends all meetings of the Board and Board Committees. In addition to advising the Board on corporate and administrative matters as well as facilitating orientation and assisting with professional development of the directors as required, the role of the company secretary includes responsibility for ensuring that Board procedures are followed, applicable rules and regulations are complied with and assisting the Board in implementing and strengthening the corporate governance practices and processes. Under the direction of the Chairman and CEO, the company secretary also ensures good information flows within the Board and Board Committees and between the Management and independent non-executive directors. The appointment and removal of the company secretary should be a matter for the Board as a whole.

The directors may (whether individually or as a group), in the furtherance of their duties, take independent professional advice (e.g., auditors and lawyers), if necessary, at the Company's expense.

Principle 2: Board Composition and Guidance

The Board has an appropriate level of independence and diversity of thought and background in its composition to enable it to make decisions in the best interests of the Company.

Structure of the Board

The Board comprises the following nine members, of whom five are independent non-executive and four are non-independent executive:

1.	Zhong Sheng Jian	Chairman and Chief Executive Officer
2.	Zhong Siliang	Executive Director
3.	Zhong Ming	Executive Director
4.	Zhong Iek Ka	Executive Director (appointed on June 29, 2020)
5.	Ronald Seah Lim Siang	Lead Independent Director
6.	Ng Shin Ein	Independent Non-Executive Director
7.	Hee Theng Fong	Independent Non-Executive Director
8.	Hong Pian Tee	Independent Non-Executive Director
9.	Teo Ser Luck	Independent Non-Executive Director

Independence of Directors

The Board determines, at the recommendation of the NC, the independence of each director, taking into account, *inter alia*, the criteria and circumstances set out in the Listing Manual, the Code and the complementary practice guidance ("Practice Guidance") on an annual basis, and as and when circumstances require. Such criteria or circumstances include the employment of a director by the Company or any of its related corporations during the financial year in question or in any of the past three financial years; the employment of immediate family member of a director by the Company or any of its related corporations in any of the past three financial years and whose remuneration is determined by the RC; the provision or receipt of significant payments or material services, other than compensation for board service, by a director (or any of his/her immediate family member) to or from the Company or any of its subsidiaries during the financial year in question or immediate past financial year; a director being related to any organisation to which the Company or any of its

CORPORATE GOVERNANCE

subsidiaries made, or from which the Company or any of its subsidiaries received, significant payments or material services during the financial year in question or immediate past financial year; a director being directly associated with a substantial shareholder of the Company during the financial year in question or immediate past financial year; and any relationship(s) with the Company, its related corporations, its substantial shareholders or its officers which could interfere, or be reasonably perceived to interfere, with the exercise of a director's independent business judgement in the best interests of the Company. Independence questionnaire setting out these criteria or circumstances is uploaded in the secure electronic portal for each director's endorsement, where the independent non-executive director is further required to notify whether he/she has served the Board beyond nine years from the date of his/her first appointment as a director of the Company and confirm his/her independence despite the period of years had been served on the Board. The directors shall notify the Company in writing promptly, should there be any changes as and when it arises. Ronald Seah Lim Siang, Ng Shin Ein, Hee Theng Fong, Hong Pian Tee and Teo Ser Luck confirmed that none of the above criteria or circumstances are applicable to them. Ronald Seah Lim Siang and Ng Shin Ein further confirmed on their independence despite they have served on the Board beyond nine years.

Independent Non-Executive Directors who have served beyond Nine Years

The NC and the Board note that prior to the impending Rule 210(5)(d)(iii) of the Listing Manual in respect of the 9-year tenure for independent directors comes into effect on January 1, 2022, the need to conduct rigorous review on the independence of each independent non-executive director who has served on the Board beyond nine years from the date of his/her first appointment. A rigorous peer review was conducted in addition to reviewing the independence questionnaire endorsed by Ronald Seah Lim Siang and Ng Shin Ein to assess whether each of them expressed his/her individual viewpoints and continued to demonstrate strong independence in character and judgment in the discharge of his/her responsibilities as an independent non-executive director of the Company. The rigorous peer review also assessed whether the abovenamed two independent non-executive directors have objectively and constructively raised issues during meetings of the Board and of the Board Committees and whether they remained active in the discussions over issues concerning the Group and sought clarification as and when necessary from the Board, Management and the Group's external advisers on matters pertaining to their area of responsibilities and whether the Company has benefited from their years of experience in their respective fields of expertise. Each of the abovenamed two independent non-executive directors has abstained from assessing and determining his/her own independence in relevant reviews. Taking into consideration the complexity of doing business in the People's Republic of China ("PRC") and that the abovenamed two independent non-executive directors have continued to demonstrate strong independence in character and judgment in the discharge of their responsibilities as an independent non-executive director of the Company and that they have objectively and constructively raised issues and sought clarification as and when necessary from the Board, Management and the Group's external advisers on matters pertaining to their area of responsibilities whether on Board or on the Board Committees and that the Company has also benefited from their years of experience in their respective fields of expertise, the NC and the Board are of the view that the abovenamed two independent non-executive directors who have served the Board beyond nine years from the respective date of their first appointments remain independent.

Taking into consideration the requirements of the Listing Manual, the Code and the Practice Guidance, and based on each director's endorsement to the independence questionnaire, results of the yearly assessment on the effectiveness of the Board and that of each Board Committee as well as contribution by each individual director and the peer review, the NC and the Board determined that Ronald Seah Lim Siang, Ng Shin Ein, Hee Theng Fong, Hong Pian Tee and Teo Ser Luck are independent directors. The NC and Board are also of the view that there is a sufficiently strong independent element on the Board to enable independent exercise of objective judgment on the corporate affairs of the Group and encourage unbiased decision making aligned with the Shareholders' interests, with independent non-executive directors making up a majority of the Board. There is also an appropriate balance of power and authority within the various Board Committees chaired by independent non-executive directors.

CORPORATE GOVERNANCE

Succession of the Board

The Company believes that a balance of directors on the Board with long and short tenures allows the Board to benefit from senior directors' knowledge continuity whilst mitigating the risk of groupthink or uncritical conformity and loss of independence through introduction of new directors. Adhered to this belief, the NC and Board note the need for succession and progressive renewal of the Board, and review the size and composition of the Board and Board Committees on an annual basis and as and when circumstances require. Taking into consideration the impending Rule 210(5)(d)(iii) of the Listing Manual in respect of the 9-year tenure for independent directors to be effective from January 1, 2022, and in conformity with the belief, the NC and Board have since then assessed the structure and composition of the Board and Board Committees and have set a plan to progressively renew the Board and Board Committees, as appropriate, subject to the prevailing conditions and needs of the Board.

Ronald Seah Lim Siang and Ng Shin Ein, both independent non-executive directors who have served the Board beyond nine years, will be retiring by rotation under Regulation 89 of the Company's Constitution at the conclusion of the AGM to be held on April 29, 2021 ("2021 AGM"). In support of the Board's progressive renewal in line with the above belief, both of them have decided not to seek re-election and will be stepping down from the Board at the conclusion of the 2021 AGM. The NC has started the selection process of new directors to fill up the vacancies of Ronald Seah Lim Siang and Ng Shin Ein, and shall consider two candidates who are able to meet the independence criteria or circumstances and possess the requisite competencies to assume the responsibilities as independent non-executive directors whilst providing adequate diversity to the Board. The NC shall also consider if the candidates shall assume the roles of Ronald Seah Lim Siang and Ng Shin Ein in respective Board Committees or if there is a need to change the composition of the Board Committees, to ensure various Board Committees remain effective and functioning. Relevant information including qualification, expertise, credentials, independence confirmation, interests' disclosure as well as current and past directorships and chairmanships of the candidates will be provided to the NC for consideration, and if the NC satisfies that the candidates meet with the appointment criteria, to recommend to the Board for approval. Upon approval, the Company shall announce the appointments according to the requirements of the Listing Manual.

Non-Executive Directors

To avoid undue influence of Management over the Board and ensure that appropriate checks and balances are in place, five independent non-executive directors make up a majority of the Board. They constructively challenge and comment on proposals on strategies; and review the performance of Management in meeting goals and monitor the reporting of performance.

Board Composition, Size and Diversity

The Company recognises and embraces the importance and benefits of having a Board and Board Committees of appropriate size and comprise directors who as a group provide an appropriate balance and diversity of various aspects. The Company also believes that diversity is an important attribute of a well-functioning and effective Board as a diverse Board provides multiple perspectives, enhances decision-makings, avoids groupthink or uncritical conformity and fosters constructive debate, and accordingly, has in place a board diversity policy (which is also being made available on the Company's website at <http://www.yanlordland.com/corporate-governance/>) to promoting adequate diversity on the Board. In particular, the Company values the Board with diversity of skillset and experiences, business background and industry knowledge, international experiences, age, gender, tenure and independence.

The incumbent Board comprises directors with diversity of skillset and experiences in various fields of expertise that provides core competencies such as finance and accounting, technology, legal, business and management, investment banking, risk management and marketing have brought well-balanced resources and skills that support the duty of the Board for corporate performance monitoring and provided strategic and effective oversight of the business of the Group. The Board is also comprised of directors with different business background and industry knowledge such as property development, financials, information technology and retail, which provided a broad range of insights, perspectives and views to drive better decision-makings in supporting the attainment of the Group's strategic objectives and sustainable

CORPORATE GOVERNANCE

development. Regional business expertise and strategic networking relationships of directors have also contributed to diversity of thought, experience and market-specific knowledge, allowing effective response to changes by the Board and accessibility into critical markets. In addition to having majority independent non-executive directors, the current Board composition, which is made up of directors with diverse age group and different tenure of office, introduced different perspectives to the Board, allowed the Board to benefit from senior directors' knowledge continuity and enabled broaden debates within the Board, while reducing the risk of groupthink and ensuring the Board's decisions or strategy to stay relevant in the market. The Board currently comprising one female director in recognition of the importance and value of gender diversity.

When considering the selection, appointment and re-appointment of any directors (including reviewing and assessing the size and composition of the Board, determining the independence of directors and evaluating effectiveness of the Board and that of each Board Committee as well as contribution by each individual director), in addition to complying with the Listing Manual and relevant provisions of the Code and the Company's Constitution, as appropriate, the NC and the Board take into consideration the diversity aspects so as to promote and achieve adequate diversity on the Board which has also been the objective of the Company, whilst the scope and nature of operations of the Group, the requirements of the business, the need for succession and progressive refreshing of Board and the need to avoid undue disruptions from unnecessary changes to the composition of the Board and Board Committees are also taken into consideration. The final decision on selection of new directors shall be based on merit against the objective criteria set out in the board diversity policy and after giving due regard to the overall balance and effectiveness of a diverse Board. The NC and Board are of a view that the current size and composition of the Board and Board Committees are appropriate, effective and provide adequate diversity and independence to the Board, and are conducive to efficient and effective discussion and decision making as the current size and composition of the Board is appropriate for meaningful individual participation by each director with diverse professional perspective. The NC monitors implementation of the board diversity policy and reports to the Board annually on the Board's composition in terms of diversity and progress made in achieving the objectives set for promoting diversity as described therein, as appropriate.

Meetings of Non-Executive Directors and/or Independent Non-Executive Directors

During the year, the independent non-executive directors on board, led by the lead independent director, met separately with internal and external auditors to discuss matters pertaining to the Group, without the presence of Management and the executive directors to facilitate a more effective check on the Group. No significant issues were raised in such meetings.

Principle 3: Chairman and Chief Executive Officer

There is a clear division of responsibilities between the leadership of the Board and Management, and no one individual has unfettered powers of decision-making.

Zhong Sheng Jian currently assumes the roles of Chairman and CEO of the Company. While there is no division of responsibilities between the Chairman and the CEO, the Board has a lead independent director in line with the recommendation of provision 3.3 of the Code. The Company has not adopted the recommendation in provision 3.1 of the Code to have separate persons appointed as the Chairman and the CEO as the Company believes that vesting the roles of both the Chairman and the CEO in the same individual enables the Company to achieve higher responsiveness, efficiency and effectiveness when formulating business strategies and executing business plans. Furthermore, in view of Zhong Sheng Jian's extensive industrial experience and significant role in the historical development of the Group, it is beneficial to the business prospects of the Group that Zhong Sheng Jian continues to act as both the Chairman and CEO. In addition, the balance of power and authority is sufficiently maintained by the operation of the Board, comprising executive directors and independent non-executive directors, in ensuring a degree of checks and balance. Consistent with the intent of Principle 3 of the Code, the Board is able to exercise objective judgement independently from Management and no individual or small group of individuals dominates the decision of the Board.

CORPORATE GOVERNANCE

Roles and Responsibilities of Chairman and CEO

The Chairman and CEO, *inter alia*, leads the Board to ensure its effectiveness on all aspects of its roles and provides close oversight, guidance and leadership to Management. He is responsible for, among others, exercising control over the quality, quantity and timeliness of the flow of information within the Board and between the Board and the Management. He plays a key role in fostering constructive dialogue between the Board and Management, the Shareholders and other stakeholders and encourages constructive relations within the Board and between the Board and Management. He also takes a leading role in the Group's drive to achieve and maintain high standards of corporate governance practices within the Group with full support of the directors, company secretary and Management. The Chairman and CEO, with the assistance of the company secretary, also schedules meetings and sets meeting agenda and ensures sufficient allocation of time for thorough discussion of each agendum, in particular of strategic issues. He promotes an open environment for discussion at the meetings of the Board and of the Board Committees so as to ensure meaningful participation and effective contribution by each director and attendee.

Lead Independent Director

Pursuant to the recommendation in the Code, the Company appointed Ronald Seah Lim Siang as its lead independent director to, *inter alia*, provide leadership in situations where the Chairman is conflicted. The lead independent director coordinates the activities of independent non-executive directors and plays an additional facilitative role within the Board, and where necessary, provides feedback to the Chairman and CEO for any relevant issues to be further addressed by the Group. He is available to Shareholders where they have concerns and for which contact through the normal channels of communication with the Chairman and CEO or Management are inappropriate or inadequate. Any concerns of Shareholders, if received by the Company, to the attention of the lead independent director shall be forwarded to him accordingly. One of the independent non-executive directors will be appointed (and an announcement will be made accordingly in due course) to assume the role of lead independent director in place of Ronald Seah Lim Siang who will be retiring by rotation and stepping down from the Board at the conclusion of the 2021 AGM.

Principle 4: Board Membership

The Board has a formal and transparent process for the appointment and re-appointment of directors, taking into account the need for progressive renewal of the board.

Nominating Committee

The NC currently comprises four members, three of whom, including its chairman, are independent non-executive directors. The chairman of the NC is Hee Theng Fong and the other members are Zhong Sheng Jian, Ronald Seah Lim Siang, the lead independent director, and Teo Ser Luck. The NC is guided by its written terms of reference which set out its authority and responsibilities. The NC's key terms of reference include:

- (a) reviewing and recommending the selection, nomination and re-nomination of directors (including alternate directors, if any) having regard to the composition and progressive renewal of the Board, as well as each director's competencies, commitment, contribution and performance;
- (b) determining annually, and as and when circumstances require, if a director is independent;
- (c) developing a process and objective criteria for evaluation of the performance of the Board, each Board Committee, the Chairman and CEO and individual directors;
- (d) assessing the effectiveness of the Board as a whole, and of each Board Committee as well as contribution by the Chairman and CEO and each individual director to the Board; and
- (e) reviewing training and professional development programmes for the Board and its directors.

CORPORATE GOVERNANCE

Selection, Appointment and Re-appointment of Directors

The NC will first consider the needs of the Board before considering the selection of candidates and a new director shall be appointed by the Board after taking into consideration the recommendation made by the NC. Selection of candidates to be considered for appointment as directors may be facilitated, *inter alia*, through recommendations from reliable sources. The NC, in considering the appointment and re-appointment of any director, evaluates the criteria of the new directors and performance of the existing directors. The assessment parameters for the new directors include integrity, independence, expertise and diversity. New directors will have to make a declaration as to their interests in and/or independence from the Company. The assessment parameters for the existing directors include attendance records at meetings, intensity of participation at meetings and the quality of interventions.

The Company's Constitution requires new directors appointed during the year to hold office only until the next AGM and shall then be eligible for re-election at such AGM. In this respect, any director to be appointed by the Board during the year of 2021 shall hold office until the next AGM to be held in 2022 and then be eligible for re-election under Regulation 88 of the Company's Constitution. Other than the Listing Manual requirements that all directors must submit themselves for re-nomination and re-appointment at least once every three years, the Company's Constitution also requires one-third of the Board for the time being (or, if their number is not a multiple of 3, the number nearest to but not less than one-third) to retire by rotation at every AGM; provided always that all directors shall retire at least once every three years. On an annual basis, the NC reviews and makes recommendation on the list of directors who are subject to retire by rotation and whether the composition of the Board shall remain unchanged or new directors shall be recommended in place of the existing directors (as and when such need arises) taking into consideration, among others, each director's independency, tenure of service, competencies, commitment, contribution and performance as well as the progress being made in achieving the objectives set for promoting adequate diversity on Board. Such recommendations will then be submitted to the Board for Board's consideration and approval.

At the 2021 AGM, Zhong Sheng Jian, Ronald Seah Lim Siang and Ng Shin Ein will be retiring by rotation under Regulation 89 of the Company's Constitution, and Zhong Iek Ka will cease to hold office pursuant to Regulation 88 of the Constitution of the Company. Zhong Sheng Jian and Zhong Iek Ka have respectively expressed their stand to seek for re-election at the 2021 AGM. In support of the Board's progressive renewal, Ronald Seah Lim Siang and Ng Shin Ein, both being on the Board for more than nine years, have decided not to seek for re-election and they will step down from the Board as independent non-executive directors at the conclusion of the 2021 AGM. Accordingly, Ronald Seah Lim Siang will cease to be the lead independent director, the chairman of the AC, a member of the NC and a member of the RC; whereas Ng Shin Ein will cease to be the chairperson of the RMSC, a member of the AC and a member of the RC, at the conclusion of the 2021 AGM.

Assessment of Independence

The NC is tasked to review, evaluate and determine the independence of each director on an annual basis, having regard to the criteria and circumstances set out in the Listing Manual, the Code and the Practice Guidance. None of the criteria and circumstances are applicable to the incumbent independent non-executive directors and each of them does not have a relationship with the Company, its related corporations, its substantial shareholders or its officers, which may affect his/her independence or that will otherwise deem such independent non-executive director not to be independent.

Multiple Board Representations

The NC and Board determine on an annual basis whether a director with other directorships (listed company board representations) and/or principal commitments is able to and has been diligently, adequately and effectively carrying out his/her duties as a director of the Company, and whether sufficient time and attention have been given by these directors to the affairs of the Company. Taking into consideration the results of annual assessment of the Board, Board Committees, Chairman and individual directors as well as the attendance records at the meetings of the Board, Board Committees and Shareholders, the ability to make timely decision when dealing with businesses that had been presented to each director and the number of board representations in other listed entities and principal commitments of each director, the NC and

CORPORATE GOVERNANCE

Board are of the view that although some of the directors have multiple directorships and other principal commitments, such directorships and principal commitments do not hinder them from carrying out their duties as directors and these directors are able to give sufficient time and attention to the affairs of the Company. Instead, these directors' participation in other listed entities have widened the experience of the Board and given it a broader perspective. The NC and Board recognise that the individual circumstances and capacity of each director are different, no maximum number of other directorships and other principal commitments which any director may hold was set during the financial year under review. The NC shall make recommendation to the Board for the Board to consider adopting the recommendation of the Practice Guidance to establish guidelines on what a reasonable and maximum number of directorships and other principal commitments for each director should be as and when necessary in due course.

Alternate Director

No alternate director has been appointed to the Board in the financial year under review and the Company does not have any alternate director.

Key Information on Directors

Key information regarding the directors including their background information, listed company directorships and principal commitments and shareholdings (direct and indirect) are set out in this Annual Report ("2020 Annual Report") under the heading entitled "Board of Directors" and "Directors' Statement".

Principle 5: Board Performance

The Board undertakes a formal annual assessment of its effectiveness as a whole, and that of each of its board committees and individual directors.

The Company believes that excellent board performance enhances long-term stakeholders' value as the board performance is ultimately reflected in the long-term performance of the Group. The Company has in place a system to assess the effectiveness of the Board as a whole, that of each of the Board Committees as well as the contribution by the Chairman and CEO and each individual director to the Board on an annual basis ("Performance Assessment"). The Company did not engage external facilitator in the Performance Assessment for the financial year under review.

Criteria and Process for Assessment on Board and Chairman

In carrying out the Performance Assessment, the NC and Board take into consideration the views of each individual director. Each director is required to answer the questionnaires uploaded in the secure electronic portal setting out relevant performance criteria which were approved by the Board for his/her views on the performance of the Board, each of the Board Committees and Chairman based on criteria in various aspects. The performance criteria should not be changed from year to year, and where circumstances deem it necessary for any of the criteria to be changed, such changes shall be reviewed and approved by the Board. The criteria of assessment for the Board includes structure and composition, conduct of meetings, corporate strategy and planning, risk management and internal controls, Company's performance, compensation, communication with Shareholders and engagement with stakeholders while the criteria of assessment for each Board Committee focus on its structure and composition, duties and responsibilities, conduct of meetings and functionality. These sets of performance criteria remain the same as that adopted for the financial year ended December 31, 2019 ("FY2019"). The Company's performance relative to the industry trend is reviewed by the Board taking into consideration of any significant trends and competitive conditions of the industry in which the Group operates. When assessing the overall performance of the Board, the NC and Board also take into account the directors' number of listed company board representations and other principal commitments as defined in the Code to determine if a director is able to and has been adequately carrying out his/ her duties as a director of the Company. The contribution of the Chairman and CEO is assessed taking into consideration the role of

CORPORATE GOVERNANCE

Chairman as prescribed by the relevant Practice Guidance. Each director abstained from participating in the assessment of Board Committee which he/she is seated in (if applicable) and the Chairman and CEO abstained from participating in his own assessment. The results of the completed questionnaires are compiled into a summary report and the same is tabled for review by the NC and circulated to the Board for consideration. The Board, having satisfied with its effectiveness, will resolve whether to retain the current composition of the Board taking into consideration, among others, adequate diversity of the Board, each director's independency, competencies, commitment, contribution and performance.

Criteria and Process for Assessment on Individual Directors

The NC also assessed the contribution by individual directors to the Board on an annual basis based on factors such as the director's attendance record at the meetings of Board and Board Committees, intensity of participation at meetings and the quality of interventions. This set of performance criteria remains unchanged as that adopted for individual directors' assessment for FY2019. Recommendation in respect of the contribution of individual directors to the effectiveness of the Board will be made to the Board.

The Performance Assessment helps to measure the continuous performance of the Board and Board Committees and enhance long-term stakeholders' value. The Chairman and CEO shall act on the results of the Performance Assessment, and in consultation with the NC, propose, where appropriate, new members to be appointed to the Board, or seek the resignation of directors. Based on the results of Performance Assessment conducted for the financial year under review, the NC and the Board are of the view that the Board as a whole and each of the Board Committees operates effectively, and each director including the Chairman and CEO has contributed to the overall effectiveness of the Board.

REMUNERATION MATTERS

Principle 6: Procedures for Developing Remuneration Policies

The Board has a formal and transparent procedure for developing policies on director and executive remuneration, and for fixing the remuneration packages of individual directors and key management personnel. No director is involved in deciding his or her own remuneration.

Remuneration Committee

The RC comprises four members, all of whom, including its chairman, are independent non-executive directors. The chairman of the RC is Hong Pian Tee and the other three members are Ronald Seah Lim Siang, Ng Shin Ein and Teo Ser Luck.

The RC is guided by its written terms of reference which set out its authority and responsibilities. The key terms of reference of the RC are:

- (a) recommending to the Board, a framework of remuneration for the Board and key management personnel and reviewing the specific remuneration packages for each director and key management personnel; and
- (b) considering all aspects of remuneration, including directors' fees, salaries, allowances, bonuses, options, share-based incentives and awards, benefits in kind and termination terms, as applicable, of the directors and key management personnel, which should aim to be fair and avoid rewarding poor performance.

The recommendations of the RC are submitted for endorsement by the Board. No directors nor members of the RC has been involved in deciding his/her own remuneration package or that of employees related to him/her, if any.

CORPORATE GOVERNANCE

Termination Terms

The RC had reviewed the Company's obligations arising in the event of termination of the executive directors' and key management personnel's contracts of service and opined that such contracts of service contain fair and reasonable termination clauses which are not overly generous.

Access to Expert Advice

Subject to the review of the Board, the RC has explicit authority within its written terms of reference to obtain outside or other independent professional advice as it considers necessary to carry out its duties. Should the RC seek expert advice inside and/or outside the Company on remuneration of all directors, the RC should ensure that existing relationships, if any, between the Company and its appointed remuneration consultants will not affect the independence and objectivity of the remuneration consultants. During the financial year under review, the RC has not engaged any consultant to advise on remuneration matters.

Principle 7: Level and Mix of Remuneration

The level and structure of remuneration of the Board and key management personnel are appropriate and proportionate to the sustained performance and value creation of the Company, taking into account the strategic objectives of the Company.

Remuneration Framework

To attract, retain and motivate directors to provide good stewardship of the Company and key management personnel to successfully manage the Company for the long term, appropriate remuneration packages are offered to the executive directors and key management personnel. These remuneration packages are offered based on established framework and reviewed annually by the RC.

Performance-Linked Remuneration of Executive Directors and Key Management Personnel

The total remuneration mix for the Chairman and CEO, executive directors and top five key management personnel (who are not directors or the CEO) of the Group comprises three key components namely, salary, annual performance incentive and other benefits including benefits in kind. An appropriate proportion of executive directors' and key management personnel's remuneration is structured to link rewards to corporate and individual performance. Such performance-related remuneration which is also tied to the Group and the respective business unit's annual target is aligned with the interests of Shareholders and other stakeholders and promotes the long-term success of the Group. Performance conditions to which entitlement to such incentives are met include benchmarking performance to business operation expectations and performance that exceeds such expectations, as well as measuring performance based on the Company's financial performance vis-à-vis industry performance. The extent to which the performance conditions have been met was taken into account in determining the actual quantum of variable component of remuneration.

Fees to Independent Non-Executive Directors

Save for directors' fees, which have to be approved by the Shareholders at every AGM, the independent non-executive directors do not receive any other remuneration from the Company. On an annual basis, the RC and the Board review the fees of the independent non-executive directors of the Company benchmarking with the fees offered by the other industry peers. Subject to the approval of the Shareholders at the 2021 AGM, it is proposed for each of the independent non-executive directors be paid an annual director's fee of S\$100,000 for his/her full term of service rendered for the

CORPORATE GOVERNANCE

financial year ended December 31, 2020 ("FY2020"), except for Teo Ser Luck whose fee will be paid in proportion to his service period during FY2020. The RC and Board are of the view that the directors' fees proposed for FY2020, in a similar quantum paid to each of the independent non-executive directors (save for Teo Ser Luck who was appointed in February 2020) for FY2019, are fair, adequate and comparable to the other industry peers in the market and appropriate to the level of contribution of the independent non-executive directors. The Company does not have any share-based compensation scheme or long-term scheme involving the offer of shares in place during the financial year under review.

Contractual Provisions

The Company does not make use of contractual provisions to allow it to reclaim incentive components of remuneration paid to its executive directors and key management personnel in exceptional circumstances of misstatement of financial results, or of misconduct resulting in financial loss to the Company having considered that performance incentives are determined subject to performance of the Company and of the individuals from time to time and the Company has the discretion not to award such incentive components and further that the Company does not have any long-term incentive scheme in the variable components of the remuneration packages of the executive directors and key management personnel. The executive directors also owe a fiduciary duty to the Company and the Company should be able to avail itself of the relevant remedies at law against the executive directors in the event of such breach of fiduciary duties. However, the Company will consider adopting such contractual provisions, as and when appropriate.

Principle 8: Disclosure on Remuneration

The Company is transparent on its remuneration policies, level and mix of remuneration, the procedure for setting remuneration, and the relationships between remuneration, performance and value creation.

The Company believes that a fair and reasonable remuneration framework which is linked to a formal and transparent assessment of performance and value creation are key factors in managing its human resources, which in turn is an important asset in creating long-term value to the Group. While the Group's performance in terms of financial results is one of the key criteria in assessing the effectiveness of the Board as well as the performance of the key management personnel, key management personnel are also assessed on the performance of the respective business unit and contracted sales of projects manned by them. Notably, to align with shareholders' interests, a significant portion of the remuneration of the Chairman and CEO is tied to the profit attributable to owners of the Company as disclosed in the audited financial statements of the Company for each financial year. Having considered the above criteria that is designed to drive corporate performance and create long-term value as well as the relevant comparative remuneration of industry peers, the remuneration packages in particular annual performance incentives are proposed for review by the RC and subsequent approval by the Board before offered to the executive directors and key management personnel.

Taking into consideration the competitive human resource environment which is especially pronounced in the Group's segment of property market in the PRC and accordingly the remuneration of the Chairman and CEO together with the other directors of the Company be disclosed in this 2020 Annual Report in bands of S\$250,000 instead of disclosing such amounts of remuneration as provided in the Code.

CORPORATE GOVERNANCE

1. Remuneration of Directors

The remuneration (which includes salaries, annual performance incentives, directors' fees and other benefits including benefits in kind, if any) paid or payable to each of the directors for FY2020, in bands of S\$250,000, are as follows:

Remuneration Band	Salary ¹	Annual Performance Incentives	Directors' Fees	Other Benefits including Benefits in Kind	Total
S\$8,000,000 to S\$8,249,999					
Zhong Sheng Jian (Chairman and CEO)	3.35%	96.47%	0.11% ²	0.07%	100%
S\$500,000 to S\$749,999					
Zhong Siliang	82%	18%	—	—	100%
Zhong Ming	82%	18%	—	—	100%
Below S\$250,000					
Ronald Seah Lim Siang	—	—	100%	—	100%
Ng Shin Ein	—	—	100%	—	100%
Hee Theng Fong	—	—	100%	—	100%
Hong Pian Tee	—	—	100%	—	100%
Teo Ser Luck ³	—	—	100%	—	100%
Chan Yiu Ling ⁴	79%	21%	—	—	100%

Notes:

- ¹ Includes annual wage supplement and employer's contributions to the Singapore Central Provident Fund, Hong Kong Mandatory Provident Fund Schemes and/or the PRC's Central Pension Schemes, where applicable.
- ² Paid by United Engineers Limited ("UEL") pursuant to its directors' remuneration framework before its delisting in February 2020, following the completion of compulsory acquisition by the Group.
- ³ Teo Ser Luck was appointed as an independent non-executive director, a member of the AC, a member of the NC and a member of the RC on February 26, 2020.
- ⁴ Chan Yiu Ling stepped down from the Board as an executive director at the conclusion of the AGM held on June 29, 2020.
- ⁵ Zhong Iek Ka was appointed as an executive director on June 29, 2020, and no remuneration has been paid to him in the financial year under review.

The aggregate remuneration paid or payable to the executive directors namely, Zhong Sheng Jian, Zhong Siliang, Zhong Ming and Chan Yiu Ling who stepped down from the Board as an executive director on June 29, 2020, for FY2020 was S\$9,407,077.

CORPORATE GOVERNANCE

2. Remuneration of the Top Five Key Management Personnel

The remuneration (which includes salaries, annual performance incentives, other fees and other benefits including benefits in kind, if any) paid or payable to each of the following key management personnel (who are not directors or the CEO) for FY2020, in bands of S\$250,000, are as follows:

Remuneration Band	Salary ¹	Annual Performance Incentives	Other Fees	Other Benefits including Benefits in Kind	Total
S\$750,000 to S\$999,999					
Tan Chee Keong, Roy	59%	37%	—	4%	100%
S\$500,000 to S\$749,999					
Zhang Hao Ning	84%	16%	—	—	100%
Zhou Yiqun	80%	20%	—	—	100%
Gao Yongjun	78%	22%	—	—	100%
Wang Hongwei	83%	17%	—	—	100%

Note:

¹ Includes annual wage supplement and employer's contributions to the Singapore Central Provident Fund and/or the PRC's Central Pension Schemes, where applicable.

The aggregate remuneration paid or payable to the above top five key management personnel (who are not directors or the CEO) for FY2020 was S\$2,885,996.

3. Remuneration of Employees who are Substantial Shareholders of the Company, or are Immediate Family Members (i.e. spouse, child, adopted child, step-child, brother, sister and parent) of a Director, the CEO or a Substantial Shareholder of the Company, and whose Remuneration Exceeds S\$100,000 During the Year

Remuneration Band	Position	Relationship	Salary ¹	Annual Performance Incentives	Other Fees	Other Benefits including Benefits in Kind	Total
S\$300,000 to S\$399,999							
Zheng Xi	Chairman of Nanjing Renyuan Investment Co., Ltd.	Brother of Zhong Sheng Jian, Chairman & CEO	80%	20%	—	—	100%
S\$200,000 to S\$299,999							
Zhong Si Nuo	Assistant to the Chairman & CEO, Zhong Sheng Jian	Daughter of Zhong Sheng Jian, Chairman & CEO, and sister of Zhong Ming and Zhong Iek Ka, both executive directors	86%	14%	—	—	100%

CORPORATE GOVERNANCE

Remuneration Band	Position	Relationship	Salary ¹	Annual Performance Incentives	Other Fees	Other Benefits including Benefits in Kind	Total
S\$200,000 to S\$299,999							
Zhong Si Li	Assistant General Manager – Wuhan	Brother of Zhong Siliang, an executive director	77%	23%	–	–	100%
Zhong Si Min	Financial Controller – Shanghai	Brother of Zhong Siliang, an executive director	85%	15%	–	–	100%
S\$100,000 to S\$199,999							
Chung Chiu Yan	Chairman of Nanjing Yanlord Enterprise Management Co., Ltd.	Brother of Zhong Sheng Jian, Chairman & CEO	100%	–	–	–	100%

Note:

¹ Includes annual wage supplement and employer's contributions to the Singapore Central Provident Fund and/or the PRC's Central Pension Schemes, where applicable.

No termination, retirement and post-employment benefits has been granted to directors, the Chairman and CEO or the top five key management personnel (who are not directors or the CEO) in the financial year under review.

ACCOUNTABILITY AND AUDIT

Principle 9: Risk Management and Internal Controls

The Board is responsible for the governance of risk and ensures that Management maintains a sound system of risk management and internal controls, to safeguard the interests of the Company and its shareholders.

The Board recognises the importance of maintaining a sound system of risk management and internal controls to safeguard Shareholders' interests and the Company's assets. The Board has overall responsibility for the governance of risk and exercises oversight of the material risks in the Group's business, and is ultimately responsible for the Company's sustainability reporting to ensure that there is appropriate focus on sustainability by Management. Procedures are in place to identify and manage significant business risks and evaluate potential financial effects to the Group.

CORPORATE GOVERNANCE

Risk Management and Sustainability Committee

RMSC (previously known as RMC) was renamed to its current name on February 26, 2021 to better reflect the duties and functions of this Committee while reaffirmed the Group's commitment to environmental, social and governance ("ESG"). The Board, with the assistance of the RMSC, reviews the adequacy and effectiveness of the Group's risk management practices and procedures, oversees the Management in the design, implementation and monitoring of the risk management system of the Group, and ensures ESG factors which have been identified as relevant and material to the Group are appropriately monitored and managed. The RMSC assists the Board in overseeing the Group's risk management framework and policies as well as the Group's commitment and efforts towards sustainability, the ESG factors that are material and pertinent to the Group's business and the Company's approach to sustainability reporting. In respect of risk management, the internal auditors report to the RMSC, and the RMSC reports to the Board, on identified risks, impacts of such risk to the Group, corresponding risk management policies and practices as well as status on the findings since last reporting on an annual basis. Management is responsible for the effective implementation of risk management procedures to facilitate the achievement of business plans and goals. Key business risks are proactively identified, addressed and reviewed on an on-going basis. During the financial year under review, the risks identified and reported are in relation to the areas of government policies, financial, liquidity, human resources and information technology. In respect of sustainability, the RMSC oversees the ESG Management Committee, which assists the RMSC to review effectiveness and progress of ESG plans as well as performance of the sustainability targets, which in turn is supported by ESG Task Force comprising cross functional team to execute the ESG plans and coordinate the communication with stakeholders.

The RMSC comprises four members, three of whom, including its chairperson, are independent non-executive directors. The chairperson of the RMSC is Ng Shin Ein and the other three members are Zhong Sheng Jian, Hee Theng Fong and Hong Pian Tee. The RMSC is guided by its written terms of reference which set out its authority and responsibilities including:

- (a) identifying, measuring, managing and controlling risks that may have a significant impact on the Group's property development activities;
- (b) reviewing and advising on the implementation and effectiveness of any associated risk action plans developed by the Group's senior management;
- (c) considering and advising on matters that may have a significant impact on the stability and integrity of the property market in the PRC;
- (d) reviewing and recommending on an annual basis the nature and extent of the significant risks that the Company should undertake to achieve its strategic objectives and value creation that are consistent with the Company's risk appetite;
- (e) reviewing the Company's sustainability reporting and considering the risk and impact of material ESG factors to the Group, the interest of stakeholders, the targets of the Group as well as the legislative requirement referred to it by the ESG Management Committee; and
- (f) reviewing and advising on the functioning and effectiveness of the Group's monitoring and management of sustainability related issues through various level of management.

CORPORATE GOVERNANCE

Internal Controls

The responsibility of overseeing the Group's internal controls system is delegated by the Board to, and undertaken by, the AC with the assistance of the internal auditors. The internal and external auditors conduct audits that involve testing the adequacy and effectiveness of the material internal control systems in the Group. The internal auditors present updates on key internal controls of the Group to the AC, and the AC to the Board, on an annual basis. In connection with the statutory audit review, the external auditors identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that they identify during their audit. The internal controls (including financial, operational, compliance and information technology controls) are intended to provide reasonable but not absolute assurance against material misstatements or losses and include the safeguarding of assets, maintenance of proper accounting records, reliability of financial information, compliance with appropriate legislations, regulations and best practices, and the identification and containment of business risks.

Adequacy and Effectiveness of Risk Management and Internal Controls

Based on the internal controls established and maintained by the Group, work performed by internal and external auditors, and reviews performed by Management, various Board Committees and the Board, the Board, with the concurrence of the AC, have rigorously assessed and are satisfied that the Group's internal controls, including financial, operational, compliance and information technology controls, and risk management systems, were adequate and effective as at December 31, 2020. No material weaknesses are identified by the Board and RMSC for the financial year under review.

The Board has received assurance from the Chairman and CEO and the Group Financial Controller as well as the internal auditors that in respect of the financial year under review, the financial records have been properly maintained and the financial statements give a true and fair view of the Group's and the Company's operations and finances; and regarding the adequacy and effectiveness of the Group's internal controls, including financial, operational, compliance and information technology controls, and risk management systems.

Principle 10: Audit Committee

The Board has an AC which discharges its duties objectively.

The AC comprises five members, all of whom, including its chairman, are independent non-executive directors. Majority of the AC members, including chairman of the AC, are appropriately qualified with recent and relevant accounting or related financial management expertise and experience. The chairman of the AC is Ronald Seah Lim Siang and the other four members are Ng Shin Ein, Hong Pian Tee, Hee Theng Fong and Teo Ser Luck. The AC is guided by its written terms of reference which set out its authority and duties.

The AC assists the Board in discharging its responsibility objectively to safeguard the Group's assets, ensure integrity of the Company's financial reporting, and develop and maintain adequate and effective systems of internal controls, with the overall objective of ensuring that the Management creates and maintains an effective control environment in the Group. The AC provides a channel of communication between the Board, the Management, the external auditors and internal auditors on matters relating to audit.

CORPORATE GOVERNANCE

The duties of the AC include:

- (a) reviewing with the external auditors their audit plans and evaluation of the system of internal accounting controls;
- (b) reviewing financial statements and any significant financial reporting issues and judgements, before submission to the Board for approval, focusing in particular on changes in accounting policies and practices, major risk areas, significant adjustments resulting from the audit, compliance with accounting standards and compliance with the Listing Manual and any other relevant statutory or regulatory requirements;
- (c) reviewing and reporting to the Board at least annually the adequacy and effectiveness of the internal controls, including financial, operational, compliance and information technology controls and ensuring co-ordination between the auditors and the Management, and reviewing the assistance given by the Management to the auditors, and discussing issues and concerns, if any, arising from audits, and any matters which the auditors may wish to discuss (in the absence of the Management, where necessary);
- (d) reviewing and discussing with the auditors any suspected fraud or irregularity, or suspected infringement of any relevant laws, rules or regulations, which has or is likely to have a material impact on the Group's operating results or financial position, and the Management's response including to review the whistle-blowing policy for concerns about possible improprieties in financial reporting or other matters to be safely raised, independently investigated and appropriately followed up on;
- (e) considering and recommending the appointment or re-appointment of the external auditors including remuneration of the external auditors, taking into consideration the Audit Quality Indicators ("AQI") (or other factors/requirements as may be amended from time to time) and matters relating to the resignation or dismissal of the auditors;
- (f) reviewing interested person transactions (if any) falling within the scope of Chapter 9 of the Listing Manual and consider whether such transaction is carried out on normal commercial terms whereby the number and terms are fair and reasonable and is not prejudicial to the interests of the Company and its minority shareholders;
- (g) reviewing potential conflicts of interest, if any;
- (h) reviewing the assurance from the Chairman and CEO, the Group Financial Controller and internal auditors (or such other officer/management of equivalent level) on the financial records and financial statements;
- (i) undertaking such other reviews and projects as may be requested by the Board, and reporting to the Board its findings from time to time on matters arising and requiring the attention of the AC; and
- (j) generally undertaking such other functions and duties as may be required by statute or the Listing Manual, or by such amendments as may be made thereto from time to time.

CORPORATE GOVERNANCE

In addition, the AC has explicit authority to commission and review the findings of internal investigations into matters where there is any suspected fraud or irregularity, or failure of internal controls or infringement of any Singapore law, rule or regulation which has or is likely to have a material impact on the Group's operating results and/or financial position. The AC has full discretion with regard to the calling of any AC meeting and the proceedings thereat and may invite any director or Management to the meeting. In the event that a member of the AC has interest in any matter being considered by the AC, he/she shall abstain from reviewing and deliberating that particular transaction and voting on that particular resolution. The AC also meets separately with the internal and external auditors at least annually without the presence of Management. During the year, the AC held 2 meetings (other than passing of resolutions by way of circulations) and met with the internal auditors, and with the external auditors, in each case without the presence of the executive directors and Management. No significant issues have been raised in such meetings and required immediate attention of the AC and the Board. The internal and external auditors have unrestricted access to the AC and vice versa. The AC has been given full access to and co-operation of the Management and has reasonable resources to enable it to discharge its function properly. None of the former partners or directors of the Company's existing auditing firm is a member of the AC.

The AC carries out its duties as set out within its written terms of reference including matters such as reviewing and recommending the relevant financial results to the Board before the same are released via SGXNET, reviewing the internal audit reports, the reports from external auditors, the yearly report on key internal controls and interested person transactions. The AC also reviews the scope, results and effectiveness of the internal audit and external audit function, the independence and objectivity of the external auditors, the non-audit services rendered by external auditors as well as the appointment (including re-appointment) and removal of external auditors and their audit fees.

The AC is briefed and updated of any changes to accounting standards and issues which may have direct impact on the Group's financial statements from time to time where necessary.

External Auditors

The Group incurred an aggregate amount of fees of approximately RMB9.6 million (excluding out of pocket expenses and goods and services tax and converted at a rate of S\$1 = RMB5.11) to the external auditors, Deloitte & Touche LLP, Singapore and Deloitte Touche Tohmatsu Certified Public Accountants LLP, Shanghai, PRC (collectively, "Deloitte"), comprising audit fees of approximately RMB7.3 million and non-audit services fee of approximately RMB2.3 million for the financial year under review. In compliance with Rule 1207(6)(b) of the Listing Manual, the AC confirmed that it has undertaken a review of all non-audit services provided by Deloitte and they will not, in the AC's opinion, affect the independence and objectivity of Deloitte. In reviewing the nomination of Deloitte for the re-appointment, the AC has also considered the adequacy of the resources, experience and competence of Deloitte and has taken into account the AQI relating to Deloitte at both firm and audit engagement level, in accordance with the Audit Quality Indicators Disclosure Framework published by the Accounting and Corporate Regulatory Authority ("ACRA").

During the financial year under review, the Group has successfully completed the acquisition of UEL, the then another Singapore Exchange listed company, taking it private and integrating into the Group. In compliance with Rule 715 of the Listing Manual, Deloitte & Touche LLP has been appointed in place of Ernst & Young LLP as the external auditors of UEL group upon the acquisition.

The Group has also complied with Rule 712 of the Listing Manual in appointing the audit firms in respect of FY2020.

CORPORATE GOVERNANCE

AC Commentary on Significant Matters

During the financial year under review, the following significant matters that impact the financial statements were reviewed by the AC in relation to their materiality and appropriate methodology/assessment. These matters were also discussed with Management and the external auditors.

Significant matters	How the AC reviewed these matters and what decisions were made
Assessment of recoverable amounts for properties for development, completed properties for sale and properties under development for sale (collectively, "Properties")	<p>The AC considered Management's approach and methodology applied in determining whether the Group's Properties are impaired and the amount of impairment to be recorded, if any.</p> <p>The AC reviewed Management's assumptions relating to the reasonableness of the future sales and projected construction costs used in the management assessment.</p> <p>The assessment of recoverable amounts for the Group's Properties was an area of focus for the external auditor, who has included this as a key audit matter for FY2020. Refer to page 82 of this 2020 Annual Report.</p>
Valuation of investment properties	<p>The AC considered the approach and methodology applied by independent professional valuers to the valuation model in assessing the valuation of investment properties as at year end.</p> <p>The AC reviewed the reasonableness of the key assumptions used in the valuation, which include (i) price per square metre or per carpark unit; (ii) capitalisation rates; and (iii) market rent per square metre per month.</p> <p>The valuation of investment properties was an area of focus for the external auditor, who has included this as a key audit matter in its audit report for FY2020. Refer to page 83 of this 2020 Annual Report.</p>

Whistle-Blowing Policy

The Company has in place a whistle-blowing policy (which is also being made available on the Company's website at <http://www.yanlordland.com/corporate-governance/>) which provides an avenue for employees of the Group and any other persons to raise concerns about possible improprieties in matters of financial reporting, accounting or auditing, internal controls or internal accounting controls and other operational matters ("Complaint"). The Company believes that it is in the best interests of the Group to promote a working environment conducive for employees and any other persons to raise or report their concerns. Every Complaint raise shall be lodged with the internal audit department of the Company. The internal audit department maintains a complaint register for the purposes of recording details of such Complaints. The whistle-blowing procedure is set out below:

1. Definitions

The following words as used shall have the meanings ascribed here:

- 1.1 "Possible Malpractice" means any activity, breach of business conduct and ethics or omission by an employee of the Group or any concerns regarding accounting or auditing matters, internal controls or internal accounting controls and other operational matters that are either questionable or not in accordance with accepted accounting practices and/or trade practices prescribed by the Group.
- 1.2 "Complaint" means any complaint alleging either Possible Malpractice or Retaliatory Action.

CORPORATE GOVERNANCE

1.3 “Retaliatory Action” means the use or attempted use of force, authority, intimidation, threat, undue pressure of any kind or any other negative or other inappropriate action, by any employee or officer of the Group, against any person who has filed a Complaint.

2. Reporting of Possible Malpractice

The Company believes that it is in the best interests of the Group to promote a working environment conducive for employees and any other persons to raise or report genuine concerns about Possible Malpractice in matters of financial reporting or other matters in strict confidence they may encounter, without fear of Retaliatory Action.

3. Procedures

3.1 Lodging a Complaint

3.1.1 Every Complaint shall be lodged with the internal audit department of the Group by the following means:

- 1) By Email

Email address: roy.tsui@yanlord.com.hk
Attention: Mr Roy Tsui

OR

- 2) By Mail

Attention: Mr Roy Tsui, Internal Audit Department
Address: 38F Far East Finance Centre, 16 Harcourt Road, Hong Kong.

(Mark envelope “Private and Confidential”)

All correspondence shall be treated with the strictest confidence.

3.1.2 The complainant must provide his/her particulars (“Particulars”) as follows:

- 3.1.2.1 In the case of employee of the Group:

- (a) Name;
- (b) Department/Company;
- (c) Contact Number; and
- (d) Email, if available.

- 3.1.2.2 In the case of any other person:

- (a) Name;
- (b) Correspondence Address/Company;
- (c) Contact Number; and
- (d) Email, if available.

The Complaint will not be attended to if the Particulars are not stated. Each complainant is required to provide the Particulars to allegations because appropriate follow-up questions and investigations may not be possible unless the source of the information is identified. By providing the Particulars to the Group, each complainant agrees for the Group (and any of its officers, employees, agents or service providers) to collect, use, disclose and/or process the Particulars for purposes of verifying, investigating, processing and dealing with the Complaint.

CORPORATE GOVERNANCE

3.2 Confidentiality of Identity

Every effort will be made to protect the complainant's identity. The identity of the complainant shall be confidential save where:

- 3.2.1 the identity of the complainant, in the opinion of the AC, is material to any investigation;
- 3.2.2 it is required by law, or by the order or directive of a court of law, regulatory body or by the Singapore Exchange or such other body that has the jurisdiction and authority of the law to require such identity to be revealed;
- 3.2.3 the AC with the concurrence of the Board opined that it would be in the best interests of the Group to disclose the identity;
- 3.2.4 it is determined that the Complaint was frivolous, in bad faith, or in abuse of these policies and procedures and lodged with malicious or mischievous intent; or
- 3.2.5 the identity of such complainant is already in the public domain.

Internal Audit

The Group has an in-house internal audit function ("Internal Audit"), led by Tsui Kai Fung, a qualified and certified accountant, that is independent of the activities it audits. To ensure that the internal audit works are performed by competent professionals, the Internal Audit is staffed with professionally qualified personnel who are members of (i) Hong Kong Institute of Certified Public Accountants ("HKICPA"); (ii) Association of Chartered Certified Accountants; or (iii) Hong Kong Institute of Chartered Secretaries. The Internal Audit reports directly to the AC chairman for strategic direction, reinforcement and accountability, and administratively to the Chairman and CEO for assistance in establishing direction, support and administrative matters. The AC assesses, at least annually, the objectivity, adequacy and effectiveness of the Internal Audit to ensure it is independent, adequately resourced and effective on an on-going basis. The internal auditors have unfettered access to all the Group's documents, records, properties and personnel, including access to the AC, and have appropriate standing within the Group.

Internal Audit is conducted across the Group to monitor the effectiveness of risk management, internal controls and governance processes, *inter alia*, its key role is to promote effective internal controls in the Group and to monitor the performance and effective application of internal controls procedures, which serve to safeguard Shareholders' interests and the Group's assets. The Internal Audit carries out its function according to the Auditing Guideline – Guidance for Internal Auditors issued by the HKICPA. The internal auditors schedule the Group's yearly internal audit plan in consultation with, but independently of, the Management and the same is submitted to the AC for approval on an annual basis prior to the commencement of the yearly internal audit works. The AC considers the resources dedicated to the internal auditors and whether these resources enable Internal Audit to deliver on its audit plan. The AC also receives reports on the findings of internal auditors' works which included corrective measures recommended by the internal auditors as well as the Management's responsiveness to these internal audit findings and corrective measures. In the event there is any material and high-risk internal audit findings such as significant non-compliance or major lapses in internal controls, the internal auditors shall report to the AC on an immediate basis. No material and high-risk internal audit finding was reported for FY2020.

Based on the internal controls established and maintained by the Group, work performed by internal auditors as reviewed by the AC and yearly key internal controls report tabled to the AC, the AC is satisfied that the Company's Internal Audit is independent, adequately resourced and effective.

CORPORATE GOVERNANCE

SHAREHOLDER RIGHTS AND ENGAGEMENT

Principle 11: Shareholder Rights and Conduct of General Meetings

The Company treats all Shareholders fairly and equitable in order to enable them to exercise Shareholders' rights and have the opportunity to communicate their views on matters affecting the Company. The Company gives Shareholders a balanced and understandable assessment of its performance, position and prospects.

The Company is committed to delivering high standards of corporate disclosure and transparency in its communications with Shareholders. All Shareholders are treated fairly and equitably to facilitate the exercise of their ownership rights.

Information to Shareholders

In line with continuous disclosure obligations of the Company, the Company does not practice selective disclosure and the Shareholders are informed promptly of any major development that may have a material impact on the Group's performance and/or information which may affect the trade, price or value of the Company's shares. Information is communicated to Shareholders on a timely basis, through annual reports that are issued within the mandatory period, financial statements announcements, press releases and other announcements via SGXNET. The annual reports and financial information are also being made available on the Company's website at <http://yanlord.listedcompany.com/ar.html> and <http://yanlord.listedcompany.com/financials.html> respectively, while all announcements published by the Company via the SGXNET are accessible on the Company's website at <http://yanlord.listedcompany.com/newsroom.html>. Management made presentation to Shareholders to update them on the Company's performance and position at general meetings, and relevant presentation materials are made available on SGXNET and the Company's website at <http://yanlord.listedcompany.com/newsroom.html> for the benefit of Shareholders. The Company's website is <http://www.yanlordland.com>.

Participation and Voting at General Meetings

All the general meetings of Shareholders are held in Singapore to ensure that Shareholders have the opportunity to participate effectively in and vote at the general meetings. Amid the control measures due to COVID-19 pandemic, the AGM of the Company for FY2019 was held and conducted by electronic means on June 29, 2020 ("2020 AGM"), in place of a physical meeting and shareholders were not able to attend the 2020 AGM in person, in line with the COVID-19 (Temporary Measures) Act 2020, relevant rules and regulations as well as checklist issued by ACRA, the Monetary Authority of Singapore and the Singapore Exchange Regulation.

Shareholders were, in advance, informed of relevant rules and procedures on the alternative arrangements of 2020 AGM. Among others, Shareholders registered online for participation in the 2020 AGM, and upon verification, received an email containing (i) the login credentials, the link and the steps to access the live audio-visual webcast of the 2020 AGM proceedings, and (ii) the live audio-only stream dial-in numbers to listen to the 2020 AGM proceedings. Shareholders were also given a right to vote on all or any of the resolutions proposed at the 2020 AGM by submitting a proxy form before the prescribed timeline to appoint only the Chairman of the 2020 AGM as their proxy to cast votes on their behalf. Separate resolutions were proposed for substantially separate issues, so as the Shareholders were given the right to express their views and exercise their voting rights on each resolution separately. Detailed information on resolutions relating to directors seeking re-election and renewal of share buyback mandate were disclosed in the additional information on directors seeking re-election and the appendix to notice of 2020 AGM, respectively, and information on other resolutions were set out in the notice of 2020 AGM. All resolutions of the 2020 AGM were voted by poll, by the Chairman of the 2020 AGM, in accordance with the directions set out in proxy forms received which have been checked by Boardroom Corporate & Advisory Services Pte. Ltd., the Company's share registrar and the appointed polling agent for 2020 AGM, and counted and validated by DrewCorp Services Pte. Ltd., an independent service provider and the appointed scrutineer for 2020 AGM. Shareholders submitted questions related to the resolutions proposed at the 2020 AGM, if any, in advance to the Company when they register online or by post to the office of the Company's share registrar. Responses to all substantial and relevant questions have been published on SGXNET and the Company's website, prior to 2020 AGM. In line with the Group's commitment towards conservation and preservation of natural resources for environmental sustainability, the

CORPORATE GOVERNANCE

Company has discontinued the practice of mailing its annual reports in CD-ROM. The Annual Report for FY2019 has been made available on the SGXNET and the Company's website for Shareholders' reading and downloading, and Shareholders were able to send in their request to the Company to ask for a printed copy of the same to be delivered to them. Other documents including appendix to notice of the 2020 AGM, additional information on directors seeking re-election, proxy form and letter to shareholders have also been published on SGXNET and the Company's website together with the notice of the 2020 AGM in accordance with the relevant requirements.

In normal circumstances where general meeting is held physically and the Shareholders are allowed to attend, speak and vote at such general meeting, each individual Shareholder may appoint not more than two proxies in accordance with the regulation of the Company's Constitution for the proxies to attend, speak and vote on his/her behalf at the general meeting if he/she is unable to attend the general meeting in person. A member of the Company who is a relevant intermediary (as defined in Section 181(6) of the Companies Act, Chapter 50 of Singapore ("Act")) is entitled to appoint more than two proxies to attend, speak and vote in general meetings pursuant to Section 181(1C) of the Act. Subject to the applicable written laws and regulations and the Constitution of the Company, the Company, may at its sole discretion, approve and implement, subject to such security measures as may be deemed necessary or expedient, such voting methods to allow members who are unable to vote in person at any general meeting the option to vote in absentia, including but not limited to voting by mail, electronic mail or facsimile.

Attendance at the General Meeting

All members of the then existing Board including the Chairman and CEO, the executive directors and the independent non-executive directors together with the Group Financial Controller, Head of Investor Relations and Company Secretary attended the 2020 AGM via video conferencing, while the representatives from the external auditors, the share registrar and polling agent, and the scrutineer participated in the 2020 AGM via live audio-visual webcast. The directors always strive to attend all general meetings of Shareholders and interact with Shareholders regularly.

Voting Results and Minutes of General Meetings

The voting outcomes of all resolutions were disclosed subsequent to the 2020 AGM in accordance with the prescribed format pursuant to Chapter 7 of the Listing Manual via SGXNET on the same day.

The company secretary prepares minutes of the general meetings recording substantial and relevant comments or queries from Shareholders relating to the agenda of the general meeting, and responses from the Board, Management and external auditors, if any. Minutes of the 2020 AGM has been published via SGXNET and the Company's website according to the relevant requirements.

CORPORATE GOVERNANCE

Dividend

In view that annual dividend shall be proposed by the Management to the Board for consideration prior to any such declaration by the Board on an annual basis after taking into consideration the Group's business expansion and development plans, its financial performance and available resources and other relevant factors from time to time, it is in the interest of the Company not to determine any fixed annual dividend payment policy. Declaration of dividends if any, are clearly communicated to Shareholders and in the event where dividends are not recommended or declared, explanations are given to the Shareholders too. Such communications with Shareholders are made via SGXNET announcements.

Principle 12: Communication with Shareholders

The Company communicates regularly with its Shareholders and facilitates the participation of Shareholders during general meetings and other dialogues to allow Shareholders to communicate their views on various matters affecting the Company.

The Board embraces openness and transparency in the conduct of the Company's affairs, whilst safeguarding its commercial interest. The Company has a team of investor relations staff to actively engage and promote regular, effective and fair communication with Shareholders and investors. Shareholders may contact Singapore, Hong Kong and Shanghai offices of the Group through the telephone numbers or email address set out in the Company's website at <http://www.yanlordland.com/contact-us/>. Shareholders may subscribe for email alert service to be notified of the SGXNET announcements published by the Company.

In addition to disclosing relevant information of the Group via SGXNET, the Group participated in activities such as global investor conferences, analyst briefings and roadshows to solicit and understand the views of the Shareholders and investors. A brief write-up of the Group's investor relations activities can be found under the operation review section in this 2020 Annual Report.

On January 9, 2020, the Singapore Exchange Regulation introduced a new risk-based approach for quarterly reporting requirement whereby only companies associated with higher risks are mandatorily to have quarterly reporting and all other companies need only to do semi-annual reporting. Under the new regime, the Company is only required to announce half-yearly and full year financial results. However, having considered the need of Shareholders and investors for information in the absence of quarterly financial results reporting, the Company has decided to engage with the Shareholders and investors by voluntarily providing updates on the Group's unaudited key operating figures on a monthly basis via SGXNET. The Company shall consider on the need to have other voluntary interim updates, taking into consideration its Shareholders' expectations, context of business environment and long-term business strategy.

CORPORATE GOVERNANCE

MANAGING STAKEHOLDERS RELATIONSHIPS

Principle 13: Engagement with Stakeholders

The Board adopts an inclusive approach by considering and balancing the needs and interests of material stakeholders, as part of its overall responsibility to ensure that the best interests of the Company are served.

Appropriate Focus on Sustainability

Stakeholders are parties who may be affected by the Company's activities, or whose actions can affect the ability of the Company to conduct its activities. The Group recognises the relationships with stakeholders may have an impact on the Group's long-term sustainability, and values long-term viability over short-term gains. The Group has been incorporating sustainability initiatives and goals in its strategies and operations, and believes that business success can be achieved through the integration of sustainability in its long-term strategies. The Group's 4-tier sustainability governance structure that comprises the Board, RMSC, ESG Management Committee and ESG Task Force proactively assessing ESG risks, setting up strategies, policies and systems, implementation plans and key performance indicators as well as reviewing, monitoring and managing ESG related material topics and objectives on an on-going basis.

The Group prioritises the health and safety of its customers and considers their well-being at every stage of its operations when developing the properties. To safeguard the health and safety of its customers, the Group has instituted several policies with provisions to ensure that accidents and non-compliance of regulations are avoided, for instance, identifying all potential hazards that the customers may encounter and implementing pre-emptive mitigation measures where necessary. To improve the overall satisfaction of its customers, the Group also studies on the needs of its customers and incorporates these elements in designing and developing its properties, whilst privacy of the customers has been duly protected with adhering to the privacy policy of the Group which is being made available on the Company's website at <http://www.yanlordland.com/corporate-governance/>. Recognising the need for balance between the commercial needs of our customers and environmental preservation, the Group continues to introduce environmental initiatives through developing eco-friendly developments as and where appropriate. While diversifying its development projects, the Group adopts a responsible approach towards the preservation of natural environment and historical heritage, if any, on and around the construction site. The Group is dedicated to safeguarding its employees' welfare and improving their workplace competencies. It has been abiding by the Labour Law of local authorities, among others, to secure the health and safety of its employees in respective countries which the Group presence throughout the year. The Group also further increases its efforts to instil a mind-set that prioritises workplace safety and enforces health and safety policies to create a safe workplace culture. Having noted that its operations not only impact its business performance but the local communities, the Group further extends its social responsibilities to include donations to certain non-profit organisations and involve in special needs and underprivileged communities.

Apart from integrating sustainability in its own operations, the Group has extended its pledge to sustainable business practice across its value chain. Business partners are encouraged to be socially and environmentally responsible in their dealings, for instance, vendors and suppliers are required to undertake to deliver high-quality products and services to the Group, whilst complying with the relevant rules and regulations and promising their commitment and efforts towards an anti-corruption and anti-bribery business environment in line with the Group's code of business conduct which advocates zero-tolerance stance against bribery and corruption.

CORPORATE GOVERNANCE

The sustainability reports covering the sustainability performance, activities and initiatives of the Group explains on how the Group met its responsibilities with its material stakeholders, are published on the SGXNET and the Company's website at <http://yanlord.listedcompany.com/sr.html>. If required, stakeholders may contact (i) the Company through the telephone numbers or email address set out in the Company's website at <http://www.yanlordland.com/contact-us/>, (ii) the internal auditors through the email address or mailing address set out in the Company's whistle-blowing policy, (iii) the lead independent director through correspondence sent to the Company with attention to the lead independent director, (iv) the data protection officer of the Group through email address set out at in the Company's website at <http://www.yanlordland.com/corporate-governance/>, or (v) the investor relations department through the email address at contact@yanlord.com.sg.

OTHER CORPORATE GOVERNANCE MATTERS

Core Value

The Group embraces its corporate philosophy of "developing land with devotion, building quality accommodation with passion 《善待土地,用心造好房》" and advocates, throughout the Group, a mission that cultivates core value of "managing with benevolence and integrity, achieving perpetuity through perseverance 《仁信治业、持之以恒》". The Group has in place a code of business conduct with relevant policies and practices that inculcates a clean corporate culture such that the Group shall conduct its business with integrity and in socially responsible, ethical and honest manners with zero-tolerance stance against bribery and corruption. The code of business conduct is being made available in the Company's website at <http://www.yanlordland.com/corporate-governance/>.

Dealings in Securities

The Company has adopted securities dealing policy internally to provide guidance for the Company and officers of the Group in relation to the dealings in securities of the Company and the strict compliance of applicable law on insider trading when dealing with securities of the Company as well as securities of other listed companies. Under the securities dealing policy, the Company as well as officers of the Group are prohibited from dealing in the Company's securities one month prior to the announcement of the Company's half year and full year financial statements (if the Company does not announce its quarterly financial statements), or two weeks before the announcement of the Company's financial statements for each of the first three quarters of its financial year and one month before the announcement of the Company's full year financial statements (if the Company announces its quarterly financial statements, whether required by the Singapore Exchange or otherwise), and are also prohibited from dealing in the Company's securities on short-term considerations and/or when in possession or have access to unpublished material information. The restriction on dealing further extends to the issue of securities, or the purchase or otherwise acquire of shares pursuant to the Company's share buyback mandate, by the Company. Notifications together with the securities dealing policy would be disseminated to all officers of the Group (including directors), whether in Singapore or elsewhere, informing them of the specific dates during which they are prohibited from dealings. The officers of the Group are also reminded of the requirements of Singapore's securities laws and be mindful of the law on insider trading.

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting ("AGM") of Yanlord Land Group Limited ("Company") will be held by electronic means on Thursday, April 29, 2021 at 2.00 p.m. to transact the following business:

ROUTINE BUSINESS

1. To receive and adopt the directors' statement and the audited financial statements for the financial year ended December 31, 2020 together with the auditor's report thereon. **(Resolution 1)**
2. To declare a final tax-exempt dividend of 6.8 Singapore cents (equivalent to approximately 34.19 Renminbi cents) per ordinary share in respect of the financial year ended December 31, 2020. **(Resolution 2)**
3. To approve the payment of directors' fees of S\$484,699.45 (equivalent to approximately RMB2,425,412.43) for the financial year ended December 31, 2020 (FY2019: S\$400,000, equivalent to approximately RMB2,024,500). **(Resolution 3)**
4. To re-elect Zhong Sheng Jian, who will retire by rotation pursuant to Regulation 89 of the Constitution of the Company and who, being eligible, offers himself for re-election. **(Resolution 4)**

(Detailed information of Zhong Sheng Jian can be found under the sections of "Board of Directors", "Directors' Statement" and "Additional Information on Directors Seeking Re-election" in the Company's Annual Report for the financial year ended December 31, 2020 ("2020 Annual Report").)

5. To re-elect Zhong Iek Ka, who will cease to hold office pursuant to Regulation 88 of the Constitution of the Company and who, being eligible, offers himself for re-election. **(Resolution 5)**

(Detailed information of Zhong Iek Ka can be found under the sections of "Board of Directors", "Directors' Statement" and "Additional Information on Directors Seeking Re-election" in the 2020 Annual Report.)

6. To re-appoint Messrs Deloitte & Touche LLP, Singapore as Auditors of the Company and to authorise the Directors to fix their remuneration. **(Resolution 6)**

SPECIAL BUSINESS

To consider and, if thought fit, to pass with or without any amendments, the following resolutions as Ordinary Resolutions:

7. That pursuant to Section 161 of the Companies Act, Chapter 50 of Singapore ("Act") and the Listing Manual of the Singapore Exchange Securities Trading Limited ("SGX-ST"), authority be and is hereby given to the Directors to:
 - (a) (i) allot and issue shares in the capital of the Company ("Shares") whether by way of rights, bonus or otherwise; and/or
(ii) make or grant offers, agreements or options (collectively, "Instruments" and each, an "Instrument") that might or would require Shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) warrants, debentures or other instruments convertible into Shares,
at any time and upon such terms and conditions and for such purposes and to such persons as the Directors may, in their absolute discretion, deem fit; and
 - (b) (notwithstanding the authority conferred by this Resolution may have ceased to be in force) issue Shares in pursuance of any Instrument made or granted by the Directors while this Resolution was in force,

NOTICE OF ANNUAL GENERAL MEETING

provided that:

- (1) the aggregate number of Shares to be issued pursuant to this Resolution (including Shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) does not exceed fifty per cent. (50%) of the total number of issued Shares excluding treasury shares and subsidiary holdings in the capital of the Company (as calculated in accordance with sub-paragraph (2) below), of which the aggregate number of Shares to be issued other than on a *pro rata* basis to shareholders of the Company (including Shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) does not exceed twenty per cent. (20%) of the total number of issued Shares excluding treasury shares and subsidiary holdings in the capital of the Company (as calculated in accordance with sub-paragraph (2) below);
- (2) (subject to such manner of calculation as may be prescribed by SGX-ST) for the purpose of determining the aggregate number of Shares that may be issued under sub-paragraph (1) above, the percentage of the total number of issued Shares excluding treasury shares and subsidiary holdings shall be based on the total number of issued Shares excluding treasury shares and subsidiary holdings in the capital of the Company at the time this Resolution is passed, after adjusting for:
 - (i) new Shares arising from the conversion or exercise of any convertible securities or share options or vesting of share awards which were issued and outstanding or subsisting at the time this Resolution is passed; and
 - (ii) any subsequent bonus issue, consolidation or subdivision of Shares;
- and, in sub-paragraph (1) above and this sub-paragraph (2), "subsidiary holdings" has the meaning ascribed to it in the Listing Manual of the SGX-ST;
- (3) in exercising the authority conferred by this Resolution, the Company shall comply with the provisions of the Act, the Listing Manual of the SGX-ST for the time being in force (unless such compliance has been waived by the SGX-ST) and the Constitution for the time being of the Company; and
- (4) unless revoked or varied by the Company in general meeting, the authority conferred by this Resolution shall continue in force until the conclusion of the next AGM of the Company or the date by which the next AGM is required by law to be held, whichever is earlier.

8. That:

- (1) for the purposes of Sections 76C and 76E of the Act, the exercise by the Directors of all the powers of the Company to purchase or acquire issued and fully paid-up Shares of the Company not exceeding in aggregate the Maximum Percentage (as defined below), at such price or prices as may be determined by the Directors from time to time up to the Maximum Price (as defined below), whether by way of:
 - (a) market purchases on the SGX-ST and/or any other stock exchange on which the Shares may for the time being be listed and quoted ("Other Exchange") ("Market Purchase"); and/or
 - (b) off-market purchases in accordance with any equal access scheme(s) as may be determined or formulated by the Directors as they consider fit in the interest of the Company, which scheme(s) shall satisfy all the terms and conditions that are consistent with the Act, the Listing Manual of the SGX-ST, the Code of Corporate Governance 2018 and the Constitution for the time being of the Company ("Off-Market Purchase"),

and otherwise in accordance with all other laws, regulations and rules of the SGX-ST or, as the case may be, Other Exchange as may for the time being applicable, be and is hereby authorised and approved generally and unconditionally ("Share Buyback Mandate");

NOTICE OF ANNUAL GENERAL MEETING

- (2) unless varied or revoked by the shareholders at a general meeting, the authority conferred on the Directors pursuant to the Share Buyback Mandate may be exercised by the Directors at any time and from time to time during the period commencing from the date of the passing of this Resolution and expiring on the earlier of the date on which:
- (a) the next AGM of the Company is held;
 - (b) the next AGM of the Company is required by law to be held; or
 - (c) the purchases or acquisitions of Shares pursuant to the Share Buyback Mandate are carried out to the full extent mandated.
- (3) In this Resolution:
- “Maximum Percentage” means that number of issued Shares representing not more than 10% of the total number of issued and fully paid-up Shares (excluding any treasury shares and subsidiary holdings (as defined in the Listing Manual of the SGX-ST)) as at date of the passing of this Resolution;
- “Maximum Price” in relation to a Share to be purchased or acquired, means the purchase price (excluding brokerage, commission, applicable goods and services tax, stamp duties, clearance fees and other related expenses) not exceeding:
- (i) in the case of a Market Purchase, 105% of the Average Closing Price of the Shares; and
 - (ii) in the case of an Off-Market Purchase, 120% of the Average Closing Price of the Shares;
- “Average Closing Price” means the average of the closing market prices of a Share over the last five (5) market days on which the Shares were transacted on the SGX-ST or, as the case may be, Other Exchange, immediately preceding the date of the Market Purchase by the Company or, as the case may be, the date of the making of the offer pursuant to the Off-Market Purchase, and deemed to be adjusted, in accordance with the Listing Manual of the SGX-ST, for any corporate action that occurs during the relevant five-day period and the day on which the purchases are made; and
- “date of the making of the offer” means the date on which the Company makes an offer for the purchase or acquisition of the Shares from holders of the Shares, stating therein the relevant terms of the equal access scheme for effecting the Off-Market Purchase.
- (4) the Directors and/or any of them be and are/is hereby authorised to complete and do all such acts and things (including executing all such documents as may be required) as they and/or he/she may consider expedient or necessary or in the interests of the Company to give effect to the transactions contemplated and/or authorised by this Resolution. **(Resolution 8)**
9. To transact any other ordinary business which may properly be transacted at an annual general meeting.

NOTICE OF ANNUAL GENERAL MEETING

NOTICE OF BOOKS CLOSURE AND DIVIDEND PAYMENT DATES

NOTICE IS ALSO HEREBY GIVEN THAT the Share Transfer Books and Register of Members of the Company will be closed on May 21, 2021, for the purpose of determining the shareholders' entitlements to the final tax-exempt dividend of 6.8 Singapore cents (equivalent to approximately 34.19 Renminbi cents) per ordinary share in respect of the financial year ended December 31, 2020 ("Proposed Dividend") to be proposed at the AGM of the Company to be held on April 29, 2021 ("2021 AGM").

Duly completed registrable transfers in respect of Shares of the Company received by the Company's Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., of 50 Raffles Place, Singapore Land Tower #32-01, Singapore 048623 up to 5.00 p.m. on May 20, 2021 will be registered to determine shareholders' entitlements to the Proposed Dividend. Shareholders whose securities accounts with the Central Depository (Pte) Limited are credited with Shares as at 5.00 p.m. on May 20, 2021 will be entitled to the Proposed Dividend.

The Proposed Dividend, if approved at the 2021 AGM, will be paid on June 7, 2021.

BY ORDER OF THE BOARD

Sau Ean Nee
Company Secretary

March 25, 2021
Singapore

Explanatory Notes:

- (i) Ronald Seah Lim Siang is due to retire by rotation pursuant to Regulation 89 of the Constitution of the Company. He has served the board of directors of the Company ("Board") as an Independent Non-Executive Director for more than 9 years and in support of the Board's progressive renewal, he has decided not to seek re-election. Ronald Seah Lim Siang will step down from the Board as the Lead Independent Director and cease to serve as Chairman of the Audit Committee, a member of the Nominating Committee and a member of the Remuneration Committee at the conclusion of the 2021 AGM.
- (ii) Ng Shin Ein is due to retire by rotation pursuant to Regulation 89 of the Constitution of the Company. She has served the Board as an Independent Non-Executive Director for more than 9 years and in support of the Board's progressive renewal, she has decided not to seek re-election. Ng Shin Ein will step down from the Board as an Independent Non-Executive Director and cease to serve as Chairperson of the Risk Management and Sustainability Committee, a member of the Audit Committee and a member of the Remuneration Committee at the conclusion of the 2021 AGM.
- (iii) Resolution 7, if passed, is to empower the Directors from the date of the 2021 AGM until the date of next AGM, to issue Shares and to make or grant Instruments (such as warrants or debentures) convertible into Shares, and to issue Shares in pursuance of such Instruments, up to a number not exceeding in total fifty per cent. (50%) of the total number issued Shares (excluding treasury shares and subsidiary holdings (as defined in the Listing Manual of the SGX-ST)) in the capital of the Company with a sub-limit of twenty per cent. (20%) for issues other than on a pro-rata basis to shareholders (calculated as described above).
- (iv) Resolution 8 relates to the renewal of the Share Buyback Mandate which was last approved by shareholders on June 29, 2020. Please refer to the appendix to this Notice of AGM on the proposed renewal of the Share Buyback Mandate, for details.

NOTICE OF ANNUAL GENERAL MEETING

Important Notes:

To help keep physical interactions and COVID-19 transmission risks to a minimum, the 2021 AGM will be conducted by electronic means in place of a physical meeting and members will not be able to attend the 2021 AGM in person. Instead, members may participate in the 2021 AGM by watching and/or listening to the proceedings of the 2021 AGM through live audio-visual webcast or live audio-only stream.

Members should take note of the following arrangements for the 2021 AGM and follow the relevant procedures and/or instructions:

(i) Registration for Participation at the 2021 AGM Electronically

Members of the Company who are entitled to attend, speak and vote at the 2021 AGM, as well as CPF and SRS investors, and who wish to participate in the 2021 AGM electronically, must register online at <http://smartagm.sg/yanlordagm2021> **by April 26, 2021 no later than 2.00 p.m.** to enable the Company's Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., to verify your member status. Following verification, authenticated members will receive an email containing (i) the login credentials, the link and the steps to access the live audio-visual webcast of the 2021 AGM proceedings, and (ii) the live audio-only stream dial-in numbers to listen to the 2021 AGM proceedings.

Members must not forward such email and information therein to any other person who is not a member of the Company or who is not entitled to attend, speak and/or vote at the 2021 AGM. Recording of the 2021 AGM proceedings in whatever form is also strictly prohibited. Members who register in accordance with the instructions within the timeline as set out in above paragraph but do not receive an email response by 2.00 p.m. on April 28, 2021 may contact the Company's Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., at bcasmeetings@boardroomlimited.com.

If members hold shares through Relevant Intermediaries (as defined in Section 181 of the Act) and wish to participate in the 2021 AGM electronically, you should contact the Relevant Intermediaries through which you hold such shares to submit your interest.

(ii) Proxy Voting on Resolutions to be Passed at the 2021 AGM

Members who wish to vote on all or any of the resolutions to be proposed at the 2021 AGM ("Resolutions") must submit a proxy form to appoint only the Chairman of the 2021 AGM as your proxy to cast votes on your behalf. The proxy form, duly completed and signed/executed in accordance with the instructions on the proxy form, must be submitted (i) via email to AGM@yanlord.com.sg; or (ii) by post to the office of the Company's Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., at 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623, in either case, not less than 72 hours before the time fixed for holding the 2021 AGM, i.e. **by April 26, 2021 no later than 2.00 p.m..**

CPF and SRS investors who wish to vote on all or any of the Resolutions should approach your respective CPF Agent Banks or SRS Operators **at least seven (7) working days before the 2021 AGM** to appoint the Chairman of the 2021 AGM as proxy and submit your votes accordingly. Any person who holds shares through Relevant Intermediaries and who wishes to vote on all or any of the Resolutions should approach the Relevant Intermediaries through which you hold such shares as soon as possible.

Members should specifically direct the Chairman of the 2021 AGM on how you wish to vote for or against (or abstain from voting on) the Resolutions.

NOTICE OF ANNUAL GENERAL MEETING

Please note that no real-time remote electronic voting system will be provided at the 2021 AGM and members will not be able to vote through electronic means. The 2020 Annual Report containing proxy form and this Notice of AGM is published on the Singapore Exchange's website at www.sgx.com and the Company's website at <http://yanlord.listedcompany.com/ar.html>. The proxy form can also be downloaded at <http://smartagm.sg/yanlordagm2021>.

(iii) Submission of Questions in Advance

Members may submit questions related to the Resolutions, if any, in advance to the Company (i) via email to AGM@yanlord.com.sg; (ii) by post to the office of the Company's Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., at 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623; or (iii) when you register online at <http://smartagm.sg/yanlordagm2021>, **by April 26, 2021 no later than 2.00 p.m.** You will have to provide your personal information including full name, identification no., shareholding type(s) and contact details for purposes of verification, recordings and/or disclosure at the webcast, in the Minutes of the 2021 AGM and/or publication on the Company's website as well as the Singapore Exchange's website (as appropriate).

The Company will endeavour to address the substantial and relevant questions received prior to and/or at the 2021 AGM. Any response to substantial and relevant questions made prior to the 2021 AGM will be published on the Singapore Exchange's website at www.sgx.com and the Company's website at <http://yanlord.listedcompany.com/newsroom.html>. Any subsequent clarifications sought, or follow-up questions in respect of substantial and relevant matters may be addressed at the 2021 AGM.

Please note that no real-time electronic communication facilities will be provided at the 2021 AGM and members will not be able to ask questions through the live audio-visual webcast or the live audio-only stream during the 2021 AGM.

(iv) Access to Documents or Information Relating to Business of the 2021 AGM

Documents relating to the business of the 2021 AGM including the 2020 Annual Report containing this Notice of AGM, additional information on directors seeking re-election as well as proxy form and appendix to this Notice of AGM on the proposed renewal of Share Buyback Mandate ("Appendix") are made available on the Company's website at <http://yanlord.listedcompany.com/ar.html>, which may also be accessible via the Singapore Exchange's website at www.sgx.com. You will need an internet browser and PDF reader to view and/or download these documents.

Like many other organisations, the Company has been working diligently towards conservation and preservation of natural resources for environmental sustainability. In line with this ongoing commitment, printed copies of documents relating to the business of the 2021 AGM will not be sent to the members. Members who wish to receive a printed copy of the 2020 Annual Report and/or the Appendix, may send in your request to the Company's Investor Relations Department by completing and returning the request form set out in the 2020 Annual Report (i) by post to the Company's registered office at 9 Temasek Boulevard, #36-02 Suntec Tower Two, Singapore 038989; or (ii) via email to contact@yanlord.com.sg.

NOTICE OF ANNUAL GENERAL MEETING

Personal Data Privacy:

By registering and/or participating in the 2021 AGM and/or any adjournment thereof via electronic means, submitting an instrument appointing the Chairman of the 2021 AGM as proxy to vote at the 2021 AGM and/or any adjournment thereof, and/or submitting questions related to the Resolutions, a member of the Company (i) consents to the collection, use, disclosure and/or processing of the member's personal data by the Company (and/or its officers, employees, agents or service providers) for the purpose of the verification, processing and/or administration by the Company (and/or its officers, employees, agents or service providers) of participants in the 2021 AGM, proxy appointed for the 2021 AGM, votes cast at the 2021 AGM and/or questions related to the Resolutions (including any adjournment thereof) and the preparation, compilation and/or sending of the details and/or manner to participate the 2021 AGM by electronic means, votes cast by members, responses to questions, attendance lists, minutes and other documents relating to the 2021 AGM (including any adjournment thereof), and in order for the Company (and/or its officers, employees, agents or service providers) to comply with any applicable laws, listing rules of any designated stock exchange, regulations and/or guidelines (collectively, the "Purposes"), (ii) warrants that where the member discloses the personal data of the member's representative(s) and/or third parties to the Company (and/or its officers, employees, agents or service providers), the member has obtained the prior consent of such representative(s) and/or third parties for the collection, use, disclosure and/or processing by the Company (and/or its officers, employees, agents or service providers) of the personal data of such representative(s) and/or third parties for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

The additional information below on Zhong Sheng Jian and Zhong Iek Ka, being the directors seeking re-election at the Annual General Meeting of the Company to be held on April 29, 2021, is to be read in conjunction with their other respective information set out under the sections of "Board of Directors" and "Directors' Statement" of this 2020 Annual Report.

Description	Name	Zhong Sheng Jian	Zhong Iek Ka
The Board's comments on the re-election (including rationale, selection criteria, and the search and nomination process)		The re-election of Zhong Sheng Jian as an Executive Director of the Company was recommended by the Nominating Committee and approved by the Board of Directors, after taking into consideration Zhong Sheng Jian's extensive industrial experience, contributions and significant role in the historical development of the Group.	The re-election of Zhong Iek Ka as an Executive Director of the Company was recommended by the Nominating Committee and approved by the Board of Directors, after taking into consideration Zhong Iek Ka's academic qualifications, expertise and knowledge.
Conflict of interest (including any competing business)		None	None
Undertaking (in the format set out in Appendix 7.7) under Rule 720(1) of the Listing Manual of the Singapore Exchange Securities Trading Limited ("Listing Manual") has been submitted to the Company		Yes	Yes
Other Principal Commitments including Directorships for past 5 years and present		None	None
Answer to information required / questions (a) to (k) listed in Appendix 7.4.1 (Announcement of Appointment) of the Listing Manual		No	No

YANLORD LAND GROUP LIMITED

(Incorporated in the Republic of Singapore)
Company Registration No. 200601911K

PROXY FORM

ANNUAL GENERAL MEETING

IMPORTANT:

1. This Proxy Form is not valid for use by CPF/SRS investors and shall be ineffective for all intents and purposes if used or purported to be used by them. **CPF and SRS investors, who wish to vote, should approach their respective CPF Agent Banks/SRS Operators at least seven (7) working days before the 2021 Annual General Meeting to appoint the Chairman of the 2021 Annual General Meeting as proxy and submit their votes.**
2. To help keep physical interactions and COVID-19 transmission risks to a minimum, the 2021 Annual General Meeting will be held by electronic means in place of a physical meeting in accordance with the prescribed alternative arrangements as set out in the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020 and members will not be able to attend in person. No real-time remote electronic voting system will be provided at the 2021 Annual General Meeting and members will not be able to vote at the 2021 Annual General Meeting through electronic means. **Members who wish to vote on the resolutions to be proposed at the 2021 Annual General Meeting, must do so by proxy only, and only the Chairman of the 2021 Annual General Meeting may be appointed as proxy.**
3. Duly completed Proxy Form must be submitted via email to AGM@yanlord.com.sg or by post to the address printed overleaf, **by April 26, 2021 no later than 2.00 p.m.**
4. By submitting this Proxy Form, the member accepts and agrees to the personal data privacy terms set out in the Notice of Annual General Meeting dated March 25, 2021.
5. **Please read the notes overleaf for further instructions.**

I/We (Name) _____ (NRIC/Passport/Company Registration No.) _____

of (Address) _____

being a member/members of Yanlord Land Group Limited ("Company"), hereby appoint the Chairman of the Annual General Meeting of the Company, as my/our proxy to vote for me/us on my/our behalf at the Annual General Meeting of the Company to be held by electronic means on Thursday, April 29, 2021 at 2.00 p.m. ("2021 Annual General Meeting") and at any adjournment thereof.

I/We direct my/our proxy to vote for or against, or to abstain from voting the resolutions to be proposed at the 2021 Annual General Meeting as indicated hereunder. If no specific direction as to voting is given, the appointment of the Chairman of the 2021 Annual General Meeting as my/our proxy for that resolution will be treated as invalid.

No.	Ordinary Resolutions	No. of Votes		
		For*	Against*	Abstain*
ROUTINE BUSINESS				
1	Adoption of Directors' Statement, Audited Financial Statements and Auditor's Report			
2	Declaration of a Final Tax-Exempt Dividend			
3	Approval of Directors' Fees			
4	Re-election of Zhong Sheng Jian as Director			
5	Re-election of Zhong Iek Ka as Director			
6	Re-appointment of Deloitte & Touche LLP, Singapore as Auditors and Authority for Directors to Fix Their Remuneration			
SPECIAL BUSINESS				
7	Authority for Directors to Issue Shares and/or Make or Grant Instruments Convertible into Shares pursuant to Section 161 of the Companies Act, Chapter 50 of Singapore			
8	Approval of Renewal of Share Buyback Mandate			

* If you wish to exercise all your votes "For" or "Against" the resolution or "Abstain" from voting, please tick (/) within the relevant box provided. Alternatively, please indicate the number of votes within the relevant boxes provided, as appropriate.

Dated this _____ day of _____ 2021

Total number of shares held _____

Signature(s) or Common Seal of Member(s)

IMPORTANT: PLEASE READ NOTES OVERLEAF

PROXY FORM

Affix
Stamp
Here

**YANLORD LAND GROUP LIMITED
C/O BOARDROOM CORPORATE & ADVISORY SERVICES PTE. LTD.**

50 Raffles Place
#32-01 Singapore Land Tower
Singapore 048623

Fold here

Fold here

NOTES TO PROXY FORM:

1. Please insert the total number of shares held by you. If you have shares entered against your name in the Depository Register (as defined in Section 81SF of the Securities and Future Act, Chapter 289 of Singapore), you should insert that number. If you have shares registered in your name in the Register of Members of the Company, you should insert that number. If you have shares entered against your name in the Depository Register and registered in your name in the Register of Members, you should insert the aggregate number. If no number is inserted, this instrument of proxy will be deemed to relate to all the shares held by you.
2. This instrument appointing the Chairman of the 2021 Annual General Meeting as proxy ("Proxy Form") shall, in the case of an individual, be signed under the hand of the appointor or his/her attorney duly authorised in writing. Where a Proxy Form is executed by a corporation, it must be executed either under its common seal or signed under the hand of an attorney or an officer of the corporation duly authorised.
3. Where a Proxy Form is signed on behalf of the appointor by an attorney, the letter or power of attorney or a duly certified copy thereof must be lodged with the Proxy Form, failing which the Proxy Form may be treated as invalid.
4. This Proxy Form (together with the power of attorney, if any, under which it is signed or a certified copy thereof) must be submitted (i) via email to AGM@yanlord.com.sg; or (ii) by post to the office of the Company's Share Registrar, Boardroom Corporate & Advisory Services Pte. Ltd., at 50 Raffles Place, #32-01 Singapore Land Tower, Singapore 048623, not less than 72 hours before the time fixed for holding the 2021 Annual General Meeting.
5. The Company shall be entitled to reject a Proxy Form which is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the Proxy Form (including any related attachment). In addition, in the case of shares entered in the Depository Register, the Company may reject a Proxy Form if the member, being the appointor, is not shown to have shares entered against his/her name in the Depository Register as at 72 hours before the time fixed for holding the 2021 Annual General Meeting, as certified by The Central Depository (Pte) Limited to the Company.
6. Completion and return of this Proxy Form shall not preclude a member from participating in the 2021 Annual General Meeting electronically, either by way of live audio-visual webcast or live audio-only stream; and/or submitting questions related to the resolutions to be proposed at the 2021 Annual General Meeting to the Company.

REQUEST FORM

To: YANLORD LAND GROUP LIMITED ("Company")

Name :	
Mailing Address :	

Please send me/us a printed copy of*:

* Please tick (/) within the relevant box provided below.

	Annual Report of the Company for the financial year ended December 31, 2020 ("2020 Annual Report")
	Appendix to the Notice of Annual General Meeting on the proposed renewal of share buyback mandate dated March 25, 2021 ("Appendix")

Date: _____

Notes:

1. If you wish to receive a printed copy of the 2020 Annual Report and/or Appendix, please complete and return this Request Form to the Investor Relations Department (i) by post to the Company's registered office at 9 Temasek Boulevard, #36-02 Suntec Tower Two, Singapore 038989; or (ii) via email to contact@yanlord.com.sg, no later than April 16, 2021.
2. The Company regrets that illegible, incomplete and/or improperly completed Request Form will not be processed.
3. This Request Form is valid only for the 2020 Annual Report and the Appendix.
4. By completing and returning this Request Form to the Company, you agree and acknowledge that the Company and/or any service provider of the Company may collect, use, disclose and/or process your personal data, as contained in your submitted Request Form or which is otherwise collected from you (or your authorised representative(s)), for the purpose of processing and effecting your request.

Affix
Stamp
Here

**INVESTOR RELATIONS DEPARTMENT
YANLORD LAND GROUP LIMITED**

9 Temasek Boulevard
#36-02 Suntec Tower Two
Singapore 038989

Fold here

Fold here

CORPORATE INFORMATION

BOARD OF DIRECTORS

Zhong Sheng Jian
Chairman and Chief Executive Officer

Zhong Siliang
Executive Director

Zhong Ming
Executive Director

Zhong Iek Ka
Executive Director

Ronald Seah Lim Siang
Lead Independent Director

Ng Shin Ein
Independent Non-Executive Director

Hee Theng Fong
Independent Non-Executive Director

Hong Pian Tee
Independent Non-Executive Director

Teo Ser Luck
Independent Non-Executive Director

AUDIT COMMITTEE

Ronald Seah Lim Siang, *Chairman*
Ng Shin Ein
Hong Pian Tee
Hee Theng Fong
Teo Ser Luck

NOMINATING COMMITTEE

Hee Theng Fong, *Chairman*
Ronald Seah Lim Siang
Zhong Sheng Jian
Teo Ser Luck

REMUNERATION COMMITTEE

Hong Pian Tee, *Chairman*
Ronald Seah Lim Siang
Ng Shin Ein
Teo Ser Luck

RISK MANAGEMENT AND SUSTAINABILITY COMMITTEE

Ng Shin Ein, *Chairperson*
Hee Theng Fong
Hong Pian Tee
Zhong Sheng Jian

COMPANY SECRETARY

Sau Ean Nee

GROUP FINANCIAL CONTROLLER

Chan Chi Wai, Jim

REGISTERED OFFICE

9 Temasek Boulevard
#36-02 Suntec Tower Two
Singapore 038989
Tel: (65) 6336 2922
Fax: (65) 6238 6256
Registration No.: 200601911K

WEBSITE

<http://www.yanlordland.com>

AUDITORS

Deloitte & Touche LLP
6 Shenton Way, OUE Downtown 2
#33-00
Singapore 068809
Partner-in-charge:
Seah Gek Choo
(Appointed on June 29, 2020)

SHARE REGISTRAR AND TRANSFER OFFICE

Boardroom Corporate & Advisory
Services Pte. Ltd.
50 Raffles Place
Singapore Land Tower #32-01
Singapore 048623

PRINCIPAL BANKERS

Bank of Shanghai Co., Ltd.
China CITIC Bank International Limited
China Merchants Bank
CMB Wing Lung Bank Limited
DBS Bank Limited
Hang Seng Bank Limited
Shanghai Pudong Development Bank Co., Ltd.
Standard Chartered Bank Limited
The Hongkong and Shanghai Banking
Corporation Limited

STOCK EXCHANGE LISTING

Singapore Exchange Securities Trading Limited

DATE AND COUNTRY OF INCORPORATION

February 13, 2006, Singapore



仁恒
YANLORD

YANLORD LAND GROUP LIMITED

仁恒置地集团有限公司

Registration No. 200601911K

9 Temasek Boulevard
#36-02 Suntec Tower Two
Singapore 038989
Tel: (65) 6336 2922
Fax: (65) 6238 6256

www.yanlordland.com



This annual report has been produced by a printer certified according to the standards from the Forest Stewardship Council™ (FSC™), and has been printed on environmentally-friendly paper in accordance to the FSC standard.