金輝控股
RADIANCE HOLDINGS

金輝控股(集團)有限公司
Radiance Holdings (Group) Company Limited

(Incorporated in the Cayman Islands with limited liability)

Stock Code: 9993

GLOBAL OFFERING

Joint Sponsors, Joint Global Coordinators, Joint Bookrunners and Joint Lead Managers

農銀國際 ABC INTERNATIONAL

CITIC SECURITIES

海通國際 HAITONG

Joint Bookrunners and Joint Lead Managers

招銀国际 CMB INTERNATIONAL

國泰君安國際 GUOTAI JUNAN INTERNATIONAL

港利資本 GLAM Capital

VISION

AMTD 尚乘

IMPORTANT: *If you are in any doubt about any of the contents of this Prospectus, you should seek independent professional advice.*

Radiance Holdings (Group) Company Limited
金輝控股（集團）有限公司

(Incorporated in the Cayman Islands with limited liability)

GLOBAL OFFERING

Number of Offer Shares under the Global Offering	:	**600,000,000 Shares (subject to the Over-allotment Option)**
Number of Hong Kong Offer Shares	:	**60,000,000 Shares (subject to adjustment)**
Number of International Offer Shares	:	**540,000,000 Shares (subject to adjustment and the Over-allotment Option)**
Maximum Offer Price	:	**HK$4.50 per Hong Kong Offer Share, plus brokerage fee of 1.0%, SFC transaction levy of 0.0027% and Hong Kong Stock Exchange trading fee of 0.005% (payable in full on application in Hong Kong dollars and subject to refund)**
Nominal value	:	**HK$0.01 per Share**
Stock code	:	**9993**

Joint Sponsors, Joint Global Coordinators, Joint Bookrunners and Joint Lead Managers

Joint Bookrunners and Joint Lead Managers

Joint Lead Managers

Hong Kong Exchanges and Clearing Limited, The Stock Exchange of Hong Kong Limited and Hong Kong Securities Clearing Company Limited take no responsibility for the contents of this Prospectus, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this Prospectus.

A copy of this Prospectus, having attached thereto the documents specified in "Appendix VI — Documents Delivered to the Registrar of Companies and Available for Inspection" of this Prospectus, has been registered with the Registrar of Companies in Hong Kong as required by Section 342C of the Companies (Winding Up and Miscellaneous Provisions) Ordinance. The Securities and Futures Commission and the Registrar of Companies in Hong Kong take no responsibility for the contents of this Prospectus or any of the other documents referred to above.

The Offer Price is expected to be fixed by agreement between the Joint Global Coordinators (for themselves and on behalf of the Underwriters) and the Company on the Price Determination Date. The Price Determination Date is expected to be on or around Wednesday, October 21, 2020 and, in any event, no later than Thursday, October 22, 2020. The Offer Price will be no more than HK$4.50 per Offer Share and is currently expected to be no less than HK$3.50 per Offer Share unless otherwise announced. Investors applying for Offer Shares must pay, on application, the maximum Offer Price of HK$4.50 per Share, unless otherwise announced, together with brokerage fee of 1.0%, SFC transaction levy of 0.0027% and Hong Kong Stock Exchange trading fee of 0.005%, subject to refund if the Offer Price is less than HK$4.50 per Offer Share.

The Joint Global Coordinators (for themselves and on behalf of the Underwriters) may, with the consent of the Company, reduce the number of Offer Shares being offered under the Global Offering and/or the indicative Offer Price range below that stated in this Prospectus at any time on or prior to the morning of the last day for lodging applications under the Hong Kong Public Offering. In such a case, an announcement will be published on the Hong Kong Stock Exchange's website at www.hkexnews.hk and on the Company's website at http://www.radiance.com.cn no later than the morning of the day which is the last day for lodging applications under the Hong Kong Public Offering. Further details are set out in "Structure of the Global Offering" and "How to Apply for Hong Kong Offer Shares." If, for any reason, the Offer Price is not agreed between the Joint Global Coordinators (for themselves and on behalf of the Underwriters) and the Company on or before Thursday, October 22, 2020, the Global Offering will not proceed and will lapse. For more information, see "Underwriting — Underwriting Arrangements and Expenses — Hong Kong Public Offering — Grounds for Termination."

The Offer Shares have not been and will not be registered under the U.S. Securities Act or any state securities law in the United States and may not be offered, sold, pledged or transferred within the United States, except in transactions exempt from, or not subject to, the registration requirements of the U.S. Securities Act. The Offer Shares may be offered, sold or delivered outside of the United States in accordance with Regulation S under the U.S. Securities Act.

October 16, 2020

Hong Kong Public Offering commences and **WHITE** and **YELLOW** Application Forms available from	9:00 a.m. on Friday, October 16, 2020
Latest time to complete electronic applications under the **HK eIPO White Form** service through one of the below ways[2]:	
(1) the **IPO App**, which can be downloaded by searching "**IPO App**" in App Store or Google Play or downloaded at **www.hkeipo.hk/IPOApp** or **www.tricorglobal.com/IPOApp**	
(2) the designated website **www.hkeipo.hk**	11:30 a.m. on Wednesday, October 21, 2020
Application lists open[3]	11:45 a.m. on Wednesday, October 21, 2020
Latest time to lodge **WHITE** and **YELLOW** Application Forms	12:00 noon on Wednesday, October 21, 2020
Latest time to give **electronic application instructions** to HKSCC[4]	12:00 noon on Wednesday, October 21, 2020
Latest time to complete payment of **HK eIPO White Form** applications by effecting internet banking transfer(s) or PPS payment transfer(s)	12:00 noon on Wednesday, October 21, 2020
Application lists close[3]	12:00 noon on Wednesday, October 21, 2020
Expected Price Determination Date[5]	Wednesday, October 21, 2020
(1) Announcement of the Offer Price, the level of indications of interest in the International Offering, the level of applications in the Hong Kong Public Offering, and the basis of allocation of the Hong Kong Offer Shares under the Hong Kong Public Offering to be published on the website of the Stock Exchange at **www.hkexnews.hk** and the Company's website at **http://www.radiance.com.cn**[10]	Wednesday, October 28, 2020
(2) Results of allocations in the Hong Kong Public Offering (with successful applicants' identification document numbers, where appropriate) will be available through a variety of channels as described in "How to Apply for Hong Kong Offer Shares — 11. Publication of Results")[10]	Wednesday, October 28, 2020
(3) A full announcement of the Hong Kong Public Offering containing (1) and (2) above to be published on the website of the Stock Exchange at **www.hkexnews.hk** and the Company's website at **http://www.radiance.com.cn**[6][10]	Wednesday, October 28, 2020
Results of allocations in the Hong Kong Public Offering will be available at the "IPO Results" function in the **IPO App** or at **www.tricor.com.hk/ipo/result** or **www.hkeipo.hk/IPOResult** with a "search by ID" function[10]	Wednesday, October 28, 2020

Dispatch/collection of Share certificates or deposit of the Share certificates into CCASS in respect of wholly or partially successful applications pursuant to the Hong Kong Public Offering on or before[7][10]	Wednesday, October 28, 2020
Dispatch/collection of refund checks and **HK eIPO White Form** e-Auto Refund payment instructions/refund checks in respect of wholly successful if the final Offer Price is less than the maximum Offer Price per Hong Kong Offer Share initially paid on application (if applicable) or wholly or partially unsuccessful applications pursuant to the Hong Kong Public Offering on or before[8][9][10] . . .	Wednesday, October 28, 2020
Dealings in Shares on the Stock Exchange expected to commence on[10]	Thursday, October 29, 2020

Notes:

(1) All dates and times refer to Hong Kong local dates and times, except as otherwise stated.

(2) You will not be permitted to submit your application through the **IPO App** or the designated website at **www.hkeipo.hk** after 11:30 a.m. on the last day for submitting applications. If you have already submitted your application and obtained an application reference number from the **IPO App** or the designated website on or before 11:30 a.m., you will be permitted to continue the application process (by completing payment of application monies) until 12:00 noon on the last day for submitting applications, when the application lists close.

(3) If there is a "black" rainstorm warning or a tropical cyclone warning signal number 8 or above and/or Extreme Conditions in force in Hong Kong at any time between 9:00 a.m. and 12:00 noon on Wednesday, October 21, 2020, the application lists will not open or close on that day. See "How to Apply for Hong Kong Offer Shares — 10. Effect of Bad Weather and/or Extreme Conditions on the Opening of the Application Lists."

(4) Applicants who apply for Hong Kong Offer Shares by giving **electronic application instructions** to HKSCC via CCASS should see "How to Apply for Hong Kong Offer Shares — 6. Applying by Giving Electronic Application Instructions to HKSCC via CCASS".

(5) The Price Determination Date is expected to be on or around Wednesday, October 21, 2020 and, in any event, no later than Thursday, October 22, 2020. If, for any reason, the Offer Price is not agreed by Thursday, October 22, 2020 between the Joint Global Coordinators (for themselves and on behalf of the Underwriters) and the Company, the Global Offering will not become unconditional and will lapse.

(6) None of the website or any of the information contained on the website forms part of this Prospectus.

(7) Share certificates for the Offer Shares will become valid certificates of title at 8:00 a.m. on Thursday, October 29, 2020 provided that (i) the Global Offering has become unconditional in all respects and (ii) none of the Underwriting Agreements have been terminated in accordance with its terms.

(8) e-Auto Refund payment instructions/refund checks will be issued in respect of wholly or partially unsuccessful applications pursuant to the Hong Kong Public Offering and also in respect of wholly or partially successful applications in the event that the final Offer Price is less than the price payable per Offer Share on application. Part of the applicant's Hong Kong identity card number or passport number, or, if the application is made by joint applicants, part of the Hong Kong identity card number or passport number of the first-named applicant, provided by the applicant(s) may be printed on the refund check, if any. Such data would also be transferred to a third party for refund purposes. Banks may require verification of an applicant's Hong Kong identity card number or passport number before encashment of the refund check. Inaccurate completion of an applicant's Hong Kong identity card number or passport number may invalidate or delay encashment of the refund check.

(9) Applicants who have applied on **WHITE** Application Forms or the **HK eIPO White Form** service for 1,000,000 or more Hong Kong Offer Shares and have provided all information required by the Application Form may collect any refund checks and/or Share

certificates in person from the Company's Hong Kong Share Registrar, Tricor Investors Services Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong from 9:00 a.m. to 1:00 p.m. on Wednesday, October 28, 2020 or such other date as notified by the Company as the date of dispatch/collection of Share certificates/e-Auto Refund payment instructions/refund checks. Applicants being individuals who are eligible for personal collection may not authorize any other person to collect on their behalf. Applicants being corporations which are eligible for personal collection must attend through their authorized representatives bearing letters of authorization from their corporation stamped with the corporation's chop. Both individuals and authorized representatives of corporations must produce evidence of identity acceptable to the Company's Hong Kong Share Registrar at the time of collection. Applicants who have applied on **YELLOW** Application Forms for 1,000,000 or more Hong Kong Offer Shares may collect their refund checks, if any, in person but may not collect their Share certificates as such Share certificates will be issued in the name of HKSCC Nominees and deposited into CCASS for the credit to their or the designated CCASS Participants' stock account as stated in their Application Forms. The procedures for collection of refund checks for **YELLOW** Application Form applicants are the same as those for **WHITE** Application Form applicants. Applicants who have applied for Hong Kong Offer Shares by giving **electronic application instructions** to HKSCC via CCASS should see "How to Apply for Hong Kong Offer Shares — 14. Dispatch/Collection of Share Certificates and Refund Monies — Personal Collection — (iv) If you apply via Electronic Application Instructions to HKSCC" for details. Uncollected refund checks and/or Share certificates will be dispatched by ordinary post, at the applicant's own risk, to the addresses specified in the relevant applications.

(10) In case a typhoon warning signal no.8 or above, a black rainstorm warning signal and/or Extreme Conditions is/are in force in any days between Friday, October 16, 2020 to Thursday, October 29, 2020, then the day of (i) announcement of results of allocations in the Hong Kong Public Offer; (ii) dispatch of Share certificates and refund checks/**HK eIPO White Form** e-Auto Refund payment instructions; and (iii) dealings in the Shares on the Stock Exchange may be postponed and an announcement may be made in such event.

The above expected timetable is a summary only. See "Structure of the Global Offering" and "How to Apply for Hong Kong Offer Shares" in this Prospectus for details of the structure and conditions of the Global Offering, as well as the application procedures for Hong Kong Public Offering.

This Prospectus is issued by Radiance Holdings (Group) Company Limited solely in connection with the Hong Kong Public Offering and does not constitute an offer to sell or a solicitation of an offer to buy any securities other than the Hong Kong Offer Shares offered by this Prospectus pursuant to the Hong Kong Public Offering. This Prospectus may not be used for the purpose of, and does not constitute, an offer or invitation in any other jurisdiction or in any other circumstances. No action has been taken to permit a public offering of the Offer Shares or the distribution of this Prospectus in any jurisdiction other than Hong Kong. The distribution of this Prospectus and the offering of the Offer Shares in other jurisdictions are subject to restrictions and may not be made except as permitted under the applicable securities laws of such jurisdictions pursuant to registration with or authorization by the relevant securities regulatory authorities or an exemption therefrom.

You should rely only on the information contained in this Prospectus and the Application Forms to make your investment decision. The Company has not authorized anyone to provide you with information that is different from what is contained in this Prospectus. Any information or representation not made in this Prospectus must not be relied on as having been authorized by the Company, the Joint Sponsors, the Joint Global Coordinators, the Joint Bookrunners, the Joint Lead Managers, the Underwriters, any of their respective directors, officers, representatives, employees, agents or professional advisors or any other person or party involved in the Global Offering.

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This summary aims to give you an overview of the information contained in this Prospectus. Since it is a summary, it does not contain all the information that may be important to you. You should read this Prospectus in its entirety before you decide to invest in the Offer Shares.

There are risks associated with any investment. Some of the particular risks in investing in the Offer Shares are set out in "Risk Factors." You should read that section carefully before you decide to invest in the Offer Shares.

OVERVIEW

We are a reputable large property developer with national presence, regional focus and leading positions in select cities, and we focus on providing quality residential properties to first-time homebuyers and first-time upgraders. With over 20 years' experience, we have expanded our operations into five regions with strong economic growth potential in China, namely, the Yangtze River Delta, the Bohai Economic Rim, Southern China, Southwestern China and Northwestern China. We were ranked 36th in terms of comprehensive strengths among "2020 China's Top 50 Real Estate Developers" and were ranked as one of "China's Top 10 Real Estate Developers of Comprehensive Strength" by the China Real Estate Association and the China Real Estate Appraisal Center of E-house China Research Institute in 2020. We were ranked 37th in terms of comprehensive strengths among "China's Top 100 Real Estate Developers" by the Enterprise Research Institute of Development Research Center of the State Council, the Center for Real Estate of Tsinghua University and the China Index Academy in 2020, representing an improvement from the 38th place in 2019. We were also awarded "China's Top 30 Real Estate Developers of Brand Value" and "China's Top 10 Real Estate Developers of Brand Value's Growth Potential" by the China Real Estate Association and the China Real Estate Appraisal Center of E-house China Research Institute in 2018 and 2019, respectively. We were ranked as one of "China's Top 50 Real Estate Developers" by the China Real Estate Association and the China Real Estate Appraisal Center of E-house China Research Institute for seven consecutive years since 2014.

We strategically focus on providing quality and diversified residential properties to first-time homebuyers and first-time upgraders. We offer four residential property series to meet the differentiated needs and preferences of our target customers. New Block series (優步系) features creative and modern design with efficient use of interior spaces. Elite's Mansion series (雲著系) features the integration of smart-living facilities and artistic design to provide comfortable, convenient and smart-living experience to our customers. King's Garden series (銘著系) targets high-end customers, and we engage world-renowned architectural design firms to deliver an advanced design and a quality living experience. The Metropolitan series (大城系) features large-scale complexes of residential properties with commercial areas in the vicinity, aiming to build an integrated community offering a convenient and cozy living experience. We believe our proven track record is attributable to our strong execution capabilities and in-depth understanding of the markets and development trends in the regions in which we operate. We believe that over the years we have built a highly recognized brand name and accumulated a large customer base by consistently delivering quality property projects to our customers.

As of July 31, 2020, we had 160 property development projects at various stages of development, among which, 117 projects developed by our subsidiaries and 43 projects developed by our joint ventures and associates. As of July 31, 2020, our property development projects had a total GFA attributable to us of 29,081,757 sq.m., comprising (i) GFA available for sale, rentable GFA and rentable GFA for property investment for completed projects of 2,526,555 sq.m.; (ii) planned GFA for properties under development of 17,254,060 sq.m.; and (iii) estimated GFA for properties held for future development of 9,301,141 sq.m. As of July 31, 2020, 93.3% of total GFA attributable to us was located in second-tier cities and core third-tier cities. We believe that our large-scale and strategically located land bank will further contribute to our business growth. In 2017, 2018 and 2019, our revenue amounted to RMB11,776.6 million, RMB15,971.2 million and RMB25,963.1 million, respectively, representing a CAGR of 48.5%. Our revenue amounted to RMB4,454.1 million and RMB2,929.2 million for the four months ended April 30, 2019 and 2020, respectively. In 2017, 2018 and 2019, our profit for the year amounted to RMB2,221.3 million, RMB2,299.9 million and RMB2,690.0 million, respectively, representing a CAGR of 10.0%. Our profit for the period amounted to RMB531.8 million and RMB182.0 million for the four months ended April 30, 2019 and 2020, respectively.

Our Business Model

During the Track Record Period, we mainly derived our revenue from development and sales of residential properties and commercial properties. We also derived revenue from providing property management services, leasing commercial properties and providing management consulting services to our joint ventures and associates for the overall operation of property projects. To focus our resources primarily on property development and sales, we disposed of the property management service business as part of the Reorganization and the disposal was completed in December 2019. As a result, we did not record any revenue from property management in the four months ended April 30, 2020. See "History, Reorganization and Corporate Structure" in this Prospectus. The table below sets forth a breakdown of our revenue by business line for the periods indicated:

	Year ended December 31,						Four months ended April 30,			
	2017		2018		2019		2019		2020	
	RMB'000	%	RMB'000	%	RMB'000	%	RMB'000 (Unaudited)	%	RMB'000	%
Property development and sales	11,285,961	95.8	15,149,795	94.9	25,037,479	96.4	4,152,298	93.2	2,773,249	94.7
Residential	10,197,505	86.6	14,250,768	89.3	24,191,695	93.2	4,092,315	91.9	1,563,433	53.4
Commercial	1,088,456	9.2	899,027	5.6	845,784	3.2	59,983	1.3	1,209,816	41.3
Property management services	357,095	3.0	480,542	3.0	517,219	2.0	172,114	3.9	—	—
Property leasing	125,668	1.1	279,029	1.7	352,782	1.4	106,331	2.4	120,032	4.1
Management consulting services	7,875	0.1	61,817	0.4	55,628	0.2	23,370	0.5	35,919	1.2
Total	11,776,599	100.0	15,971,183	100.0	25,963,108	100.0	4,454,113	100.0	2,929,200	100.0

COMPETITIVE STRENGTHS

We believe the following competitive strengths have contributed to our continued success and will continue to distinguish us from our competitors: (i) a reputable large property developer with national presence, regional focus and leading positions in select cities; (ii) quality land bank attributable to prudent land acquisition strategy and flexible and efficient land acquisition methods; (iii) focus on providing quality and diversified residential properties to first-time homebuyers and first-time upgraders; (iv) rapid asset turnover underpinned by standardized development processes and strong execution capabilities; (v) stable and diversified financing channels; and (vi) experienced senior management team and highly qualified talents.

BUSINESS STRATEGIES

Our mission is to "build properties with craftsmanship and make better homes (用心建好房，讓家更美好)" and we are devoted to improving the quality of our products and services through continuous innovation. We aim to become a trustworthy leading property developer in the PRC. In light of this, we plan to implement the following strategies: (i) continue to focus on key regions and further strengthen our market position; (ii) continue to expand quality land bank through diversified land acquisition methods; (iii) continue to enhance the competitiveness of our products in design and quality and empower our products with smart technology to improve customer satisfaction; (iv) continue to implement prudent financial policies, optimize capital structure and improve shareholder returns; and (v) expand our talent pool to improve efficiency and performance.

Our Land Bank

Our total land bank amounted to 29,081,757 sq.m. as of July 31, 2020, consisting of residential properties with an aggregate GFA attributable to us of 25,630,941 sq.m. and non-residential properties with an aggregate GFA attributable to us of 3,450,816 sq.m. The table below sets forth a breakdown of our land bank as of July 31, 2020 in terms of geographical location:

		Completed			Under Development	Future Development		
	Number of Projects	GFA Available for Sale[(1)]	Rentable GFA[(2)]	Rentable GFA for Property Investment[(3)]	Planned GFA Under Development[(4)]	Estimated GFA for Future Development[(5)]	Total Land Bank Attributable to Us[(6)(7)]	% of Total Land Bank
		(in sq.m.)	(in sq.m.)	(in sq.m.)	(in sq.m.)	(in sq.m.)	(in sq.m.)	
Property Projects Developed by Our Subsidiaries								
Yangtze River Delta								
Zhejiang Province	8	—	—	—	811,306	382,634	1,193,940	4.1%
Jiangsu Province (South)	13	56,030	3,319	36,464	1,426,387	500,504	2,022,704	7.0%
Shanghai Municipality	2	18,514	19,231	30,622	—	—	68,367	0.2%
Sub-total	**23**	**74,544**	**22,550**	**67,086**	**2,237,693**	**883,138**	**3,285,011**	**11.3%**
Bohai Economic Rim								
Beijing Municipality	2	—	3,237	102,975	174,907	—	281,119	1.0%
Tianjin Municipality	6	9,097	—	—	738,570	—	747,667	2.6%
Hebei Province	8	13,085	—	—	809,720	340,719	1,163,524	4.0%
Liaoning Province	1	—	—	—	248,741	—	248,741	0.9%
Jiangsu Province (North)	14	111,225	64,888	—	1,570,813	728,551	2,475,478	8.5%
Sub-total	**31**	**133,407**	**68,125**	**102,975**	**3,542,751**	**1,069,270**	**4,916,529**	**16.9%**
Southern China								
Fujian Province	12	297,833	—	16,760	1,823,299	768,860	2,906,752	10.0%
Guangdong Province	9	192,831	4,165	—	369,966	719,533	1,286,495	4.4%
Sub-total	**21**	**490,664**	**4,165**	**16,760**	**2,193,265**	**1,488,393**	**4,193,247**	**14.4%**
Southwestern China								
Chongqing Municipality	12	269,176	4,291	193,700	1,264,856	581,767	2,313,790	8.0%
Hubei Province	5	102,998	—	—	890,721	1,779,487	2,773,206	9.5%
Hunan Province	4	10,268	—	—	919,882	178,346	1,108,496	3.8%
Sichuan Province	1	—	—	—	121,758	—	121,758	0.4%
Anhui Province	5	22,947	—	—	622,855	—	645,802	2.2%
Sub-total	**27**	**405,389**	**4,291**	**193,700**	**3,820,072**	**2,539,600**	**6,963,052**	**23.9%**
Northwestern China								
Shaanxi Province	13	184,325	—	236,498	2,953,950	3,028,263	6,403,036	22.0%
Henan Province	2	—	—	—	459,277	—	459,277	1.6%
Sub-total	**15**	**184,325**	**—**	**236,498**	**3,413,227**	**3,028,263**	**6,862,313**	**23.6%**
Total	**117**	**1,288,329**	**99,131**	**617,019**	**15,207,008**	**9,008,664**	**26,220,152**	**90.2%**

	Number of Projects	Completed: GFA Available for Sale[1]	Completed: Rentable GFA[2]	Completed: Rentable GFA for Property Investment[3]	Under Development: Planned GFA Under Development[4]	Future Development: Estimated GFA for Future Development[5]	Total Land Bank Attributable to Us[6][7]	% of Total Land Bank
		(in sq.m.)	(in sq.m.)	(in sq.m.)	(in sq.m.)	(in sq.m.)	(in sq.m.)	
Property Projects Developed by Our Joint Ventures								
Yangtze River Delta								
Jiangsu Province (South)	6	63,846	14,569	—	2,162	—	80,577	0.4%
Sub-total	**6**	**63,846**	**14,569**	**—**	**2,162**	**—**	**80,577**	**0.4%**
Bohai Economic Rim								
Tianjin Municipality	2	—	—	—	96,543	—	96,543	0.4%
Jiangsu Province (North)	1	—	—	—	70,155	—	70,155	0.2%
Sub-total	**3**	**—**	**—**	**—**	**166,698**	**—**	**166,698**	**0.6%**
Southern China								
Fujian Province	4	29,784	—	—	285,944	—	315,728	1.1%
Guangdong Province	1	3,656	—	—	71,733	—	75,389	0.3%
Sub-total	**5**	**33,440**	**—**	**—**	**357,677**	**—**	**391,117**	**1.3%**
Southwestern China								
Chongqing Municipality	4	149,658	—	—	233,005	2,888	385,551	1.3%
Anhui Province	1	1,658	—	—	50,845	—	52,503	0.2%
Sub-total	**5**	**151,316**	**—**	**—**	**283,850**	**2,888**	**438,054**	**1.6%**
Attributable-total	**19**	**248,602**	**14,569**	**—**	**810,387**	**2,888**	**1,076,446**	**4.0%**
Property Projects Developed by Our Associates								
Yangtze River Delta								
Zhejiang Province	3	73,097	14,679	—	229,250	48,926	365,952	1.3%
Jiangsu Province (South)	4	29,282	3,828	—	241,521	—	274,631	1.0%
Sub-total	**7**	**102,379**	**18,507**	**—**	**470,771**	**48,926**	**640,583**	**2.3%**
Bohai Economic Rim								
Hebei Province	2	10,235	—	—	54,299	—	64,534	0.2%
Liaoning Province	1	10,227	—	—	36,424	—	46,651	0.2%
Jiangsu Province (North)	1	—	—	—	105,657	—	105,657	0.4%
Sub-total	**4**	**20,462**	**—**	**—**	**196,380**	**—**	**216,842**	**0.7%**
Southern China								
Fujian Province	5	—	—	—	405,888	—	405,888	1.4%
Guangdong Province	2	2,659	—	—	33,738	—	36,397	0.1%
Sub-total	**7**	**2,659**	**—**	**—**	**439,626**	**—**	**442,285**	**1.5%**
Southwestern China								
Hunan Province	1	—	—	—	—	97,113	97,113	0.3%
Sichuan Province	2	66,586	11,296	—	41,961	—	119,843	0.4%
Sub-total	**3**	**66,586**	**11,296**	**—**	**41,961**	**97,113**	**216,956**	**0.7%**
Northwestern China								
Shaanxi Province	3	35,599	1,417	—	87,927	143,550	268,493	0.9%
Sub-total	**3**	**35,599**	**1,417**	**—**	**87,927**	**143,550**	**268,493**	**0.9%**
Attributable-total	**24**	**227,685**	**31,220**	**—**	**1,236,665**	**289,589**	**1,785,159**	**6.2%**
Total Land Bank	**160**	**1,764,616**	**144,920**	**617,019**	**17,254,060**	**9,301,141**	**29,081,757**	**100.0%**

Notes:

(1) Refers to (i) GFA pre-sold but yet to be delivered; and (ii) GFA unsold and available for sale.

(2) Refers to GFA available to generate rental income, excluding GFA of the property held for investment.

(3) Refers to GFA of the property available to generate rental income and held for investment.

(4) Refers to total planned GFA under development as set out in the construction work planning permits or construction work commencement permits.

(5) Refers to (i) GFA for which we have signed a land grant contract but have not obtained the relevant land use right certificates; and (ii) GFA for which we have obtained the land use right certificates but have not obtained the requisite construction work commencement permits.

(6) Total land bank equals to the sum of (i) total GFA available for sale, total rentable GFA and total rentable GFA for property investment for completed properties; (ii) total planned GFA for properties under development; and (iii) total estimated GFA for properties held for future development.

(7) For projects held by our joint ventures or our associates, total GFA will be adjusted by our equity interest in the respective project.

Our projects companies are classified into three types, namely, subsidiaries, joint ventures and associates in accordance with the level of involvement and power on the management and operation of these project companies, including our representation on their decision-making authorities, such as shareholders' meeting and board of directors' meetings, as well as other facts and circumstances. A project company is our subsidiary if we have the control over the operation activities of the entity which determine the variable returns of the project company. A project company is our joint venture if the operation of the entity shall be resolved by all shareholders on a unanimous basis according to its shareholders agreement(s), article of association or rules of board meetings when there are side agreements among shareholders. A project company is our associate if we cannot control or jointly control the operation of the entity. Control is achieved when we are exposed, or have rights, to variable returns from our involvement with the investee and have the ability to affect those returns through our power over the investee. For further details, please see Notes 2.4, 3, 17 and 18 to the Accountants' Report in Appendix I to this Prospectus.

Our Suppliers and Customers

Our suppliers primarily include construction contractors and equipment suppliers. In 2017, 2018 and 2019 and the four months ended April 30, 2020, purchases from our five largest suppliers amounted to RMB4,285.2 million, RMB6,799.9 million, RMB8,323.7 million and RMB2,586.7 million, respectively, accounting for 47.8%, 52.3%, 62.7% and 63.4% of our total purchases, respectively. In 2017, 2018 and 2019 and the four months ended April 30, 2020, purchases from our single largest supplier amounted to RMB1,656.4 million, RMB2,709.3 million, RMB3,430.5 million and RMB917.4 million, respectively, accounting for 18.5%, 20.8%, 25.9% and 22.5% of our total purchases, respectively. Our customers are primarily individual purchasers and corporate entities. In 2017, 2018 and 2019 and the four months ended April 30, 2020, revenue from our five largest customers amounted to RMB126.8 million, RMB218.9 million, RMB225.1 million and RMB96.3 million, respectively, accounting for 1.1%, 1.4%, 0.9% and 3.3% of our total revenue, respectively. In 2017, 2018 and 2019 and the four months ended April 30, 2020, revenue from our single largest customer amounted to RMB27.0 million, RMB61.9 million, RMB73.5 million and RMB24.9 million, respectively, accounting for 0.2%, 0.4%, 0.3% and 0.9% of our total revenue, respectively.

To the best knowledge of our Directors, none of our Directors, their respective close associates or any shareholders who owns more than 5% of our issued share capital had any interest in any of our five largest suppliers or five largest customers during the Track Record Period. For more details, see "Business — Suppliers and Customers" in this Prospectus.

CONTROLLING SHAREHOLDERS

Immediately following the completion of the Global Offering (assuming the Over-allotment Option is not exercised and without taking into account any Shares which may be issued upon exercise of any options that may be granted under the Share Option Scheme), Glowing Shine will directly hold 85% of the issued share capital of our Company. Glowing Shine is wholly-owned by Radiance Group Holdings which is in turn owned as to 64.97% by Mr. Lam and 35.03% by Ms. Lam, the spouse of Mr. Lam. Accordingly, Mr. Lam, Ms. Lam, Radiance Group Holdings and Glowing Shine are our Controlling Shareholders. See "Relationship with Our Controlling Shareholders."

NON-EXEMPT CONTINUING CONNECTED TRANSACTIONS

We have entered into certain transactions which will constitute continuing connected transactions for our Company under the Listing Rules after the Listing. We have applied to the Stock Exchange for, and the Stock Exchange has granted waiver from strict compliance with the announcement requirement under Chapter 14A of the Listing Rules in respect of the continuing connected transaction as disclosed in "Connected Transactions — (B) Continuing Connected Transaction subject to the Reporting, Annual Review, Announcement Requirements but exempt from the Independent Shareholders' Approval Requirement" in this Prospectus. Further information is disclosed in the section headed "Connected Transactions" in this Prospectus.

SUMMARY KEY FINANCIAL INFORMATION

The summary historical data of financial information set forth below have been derived from, and should be read in conjunction with, our consolidated audited financial statements, including the accompanying notes, set forth in the Accountants' Report attached as Appendix I to this Prospectus, as well as the information set forth in "Financial Information." Our financial information was prepared in accordance with IFRSs.

Selected Consolidated Statements of Profit or Loss Data

	Year ended December 31,			Four months ended April 30,	
	2017	2018	2019	2019	2020
			(RMB'000)		
				(Unaudited)	
Revenue	11,776,599	15,971,183	25,963,108	4,454,113	2,929,200
Cost of sales	(7,984,939)	(11,145,666)	(20,300,888)	(3,206,145)	(2,149,495)
Gross profit	3,791,660	4,825,517	5,662,220	1,247,968	779,705
Fair value gains on investment properties	317,755	616,536	480,869	251,913	101,106
Profit before tax	3,468,781	3,650,337	4,568,816	922,617	350,149
Profit for the year/period	2,221,343	2,299,877	2,689,988	531,778	182,015
Attributable to					
Owners of the parent	2,030,835	2,007,939	2,508,068	493,071	179,188
Non-controlling interests	190,508	291,938	181,920	38,707	2,827
	2,221,343	2,299,877	2,689,988	531,778	182,015

Revenue from property development and sales is dependent on the total GFA delivered and the recognized ASP per sq.m. of the delivered properties during the relevant period. Our GFA fluctuated from period to period depending on the delivery schedule and size of the projects and the stage of their development. The recognized

ASP of properties delivered also fluctuated from period to period primarily depending on the selling prices for properties in cities and regions where we developed and sold property projects. Revenue from sales of properties has constituted, and is expected to continue to constitute, a substantial majority of our total revenue. The increases in our revenue from sales of properties during the three years ended December 31, 2019 were primarily attributable to (i) an increase in the number of residential projects completed and delivered and therefore the total GFA delivered, as we continue to expand our business in five targeted regions in the PRC; and (ii) an overall increase in the selling prices for our residential property projects completed and delivered which were generally in line with the market trends in the regions we operate.

Revenue from property development and sales decreased from the four months ended April 30, 2019 to the four months ended April 30, 2020, primarily due to (i) a decrease in our total GFA delivered, which was primarily driven by a decrease in the total GFA delivered of residential properties, as partially offset by an increase in total GFA delivered of commercial properties. The total GFA of residential properties delivered in the four months ended April 30, 2020 decreased compared to the same period in 2019 as we had fewer residential properties scheduled to be delivered in the four months ended April 30, 2020 compared to the same period in 2019. The total GFA of commercial properties delivered in the four months ended April 30, 2020 increased compared to the same period in 2019, primarily because we delivered certain commercial apartments of Xi’an Jinhui Global Plaza (西安金輝環球廣場), a large-scale project of commercial apartments in Xi’an, in April 2020. Such fluctuations of the total GFA of residential and commercial properties delivered were due to the differences in the delivery schedules between the relevant periods. We still focus on developing quality residential properties and there is no material change to our business model; and (ii) a decrease in our recognized ASP from the four months ended April 30, 2019 to the four months ended April 30, 2020, primarily because we delivered certain properties in Suzhou and Fuzhou in the four months ended April 30, 2019, for which the recognized ASP per sq.m. was relatively high compared to those properties delivered in Shijiazhuang, Tianjin and Xi’an in the four months ended April 30, 2020. The selling prices of properties in Suzhou and Fuzhou were generally higher than those in Shijiazhuang, Tianjin and Xi’an. In addition, the properties we delivered of Fuzhou Huai’an (福州淮安) in Fuzhou were villas, which typically had higher recognized ASP than other types of properties.

Selected Consolidated Statements of Financial Position Data

	As of December 31,			As of April 30,
	2017	2018	2019	2020
	(RMB’000)			
Total non-current assets	15,501,726	18,381,164	19,698,717	19,828,785
Total current assets	71,257,908	102,231,219	129,645,846	136,995,264
Total current liabilities	48,879,705	80,479,334	95,288,371	100,702,795
Net current assets	22,378,203	21,751,885	34,357,475	36,292,469
Total non-current liabilities	23,283,154	22,600,859	32,676,990	34,462,037
Non-controlling interests	2,282,540	3,210,016	4,548,960	4,649,787
Total equity	14,596,775	17,532,190	21,379,202	21,659,217

See “Financial Information — Liquidity and Capital Resources — Net Current Assets.”

Summary Consolidated Cash Flow Statements Data

	Year ended December 31,			Four months ended April 30,	
	2017	2018	2019	2019	2020
			(RMB'000)		
				(Unaudited)	
Operating cash flows before movements in working capital	2,938,888	3,807,998	4,478,131	904,873	298,575
Total adjustment from changes in working capital	(9,663,645)	(847,009)	(7,987,200)	(1,406,378)	(2,122,764)
Interest received	268,686	213,893	100,431	27,929	21,174
Tax paid	(1,300,086)	(1,740,494)	(2,288,415)	(814,778)	(552,113)
Net cash flows (used in)/from operating activities	(7,756,157)	1,434,388	(5,697,053)	(1,288,354)	(2,355,128)
Net cash flows used in investing activities	(6,675,183)	(1,545,150)	(537,264)	(604,032)	(169,206)
Net cash flows from/(used in) financing activities	13,191,499	6,487,485	5,520,808	(1,024,183)	1,713,321
Net (decrease)/increase in cash and cash equivalents	(1,239,841)	6,376,723	(713,509)	(2,916,569)	(811,013)
Cash and cash equivalents at the beginning of the year/period	4,795,174	3,555,333	9,932,056	9,932,056	9,218,547
Cash and cash equivalents at the end of the year/period	3,555,333	9,932,056	9,218,547	7,015,487	8,407,534

We had negative cash flow from operating activities in 2017 and 2019 and the four months ended April 30, 2020, primarily as a result of significant net cash used in our operations due to the continued increases in our property development activities and strengthened land acquisition efforts. To improve our negative operating cash flow position, we plan to improve our cash inflow associated with the sales and pre-sales of our properties by strengthening marketing efforts and further enhancing the payment collection from our customers with respect to the property sales and pre-sales. We also intend to better utilize the payment terms under the construction agreements through negotiation and the establishment of strategic relationships, in order to optimize the payment schedules for construction fees to match our proceeds collection and property sales plan. In addition, at our headquarters level, various departments will coordinate to plan and monitor our cash outflow by establishing our development and construction schedules and land acquisition plans based on the cash inflow associated with existing and planned pre-sales and sales of properties. See "Financial Information — Liquidity and Capital Resources — Cash Flow Analysis" for details.

Key Financial Ratios

	As of/for the year ended December 31,			As of/for the four months ended April 30,
	2017	2018	2019	2020
Current ratio[1]	1.5	1.3	1.4	1.4
Interest coverage ratio[2]	1.5	1.2	1.2	N/A
Net gearing ratio[3]	1.9	1.7	1.7	1.8
Gearing ratio[4]	2.3	2.5	2.3	2.4
Return on total assets[5]	2.6%	1.9%	1.8%	N/A
Return on equity[6]	16.5%	14.0%	14.9%	N/A

Notes:

(1) Current ratio is calculated based on our total current assets divided by our total current liabilities as of the respective dates.

(2) Interest coverage ratio is calculated based on profit for the year before income tax expenses, adding finance costs, divided by interest on interest-bearing bank and other borrowings and lease liabilities and interest expense arising from revenue contracts which include capitalized interest for the respective year.

(3) Net gearing ratio is calculated based on total borrowings less cash and bank balances divided by total equity. Total borrowings consist of interest-bearing bank and other borrowings, senior notes, corporate bonds and ABS as of the respective dates.

(4) Gearing ratio is calculated based on total borrowings divided by total equity. Total borrowings consist of interest-bearing bank and other borrowings, senior notes, corporate bonds and ABS as of the respective dates.

(5) Return on total assets ratio is calculated based on our profit for the year divided by the total assets at the end of the year and multiplied by 100%.

(6) Return on equity ratio is calculated based on our profit for the year attributable to the owners of the parent divided by the equity attributable to owners at the end of the year and multiplied by 100%.

Please see "Financial Information — Summary of Key Financial Ratios" for details.

Financial Ratios Under the Proposed PBOC Standard

Recently, news articles on the PBOC's plans to control the scale of interest-bearing debts of property developers in China by applying a newly proposed standard in the assessment of the debt burden of property developers began to emerge. The proposed standard stipulates that (i) for property developers which comply with all the three limits reported in certain news articles, their size of interest-bearing liabilities shall increase by less than 15% annually; (ii) for property developers which only comply with two of the three limits reported in certain news articles, their size of interest-bearing liabilities shall increase by less than 10% annually; (iii) for property developers which only comply with one of the three limits reported in certain news articles, their size of interest-bearing liabilities shall increase by less than 5% annually; and (iv) for those property developers which fail to comply with any of the three limits reported in certain news articles, their size of interest-bearing liabilities shall not increase at all. As such, in the event that the above-mentioned standard in the news articles comes into effect, the size of our interest bearing liabilities would be restricted.

As of April 30, 2020, our liability asset ratio, calculated as total liabilities less contract liabilities divided by total assets less contract liabilities, was 77.1%; our net gearing ratio was 1.8 times; and the ratio of our cash and bank balances divided by the current portion of interest-bearing bank and other borrowings, corporate bonds, senior notes and ABS was 0.61 times. See "Financial Information — Summary of Key Financial Ratios — Financial Ratios under the Proposed PBOC Standard."

PROPERTY VALUATION

Our independent property valuer, Jones Lang LaSalle Corporate Appraisal and Advisory Limited, or JLL, valued our properties based on the assumption that the seller sells the property interests in the market without the benefit of a deferred term contract, leaseback, joint venture, management agreement or any similar arrangement, which could serve to affect the values of the property interests. In the valuation of property interests by using comparison method, JLL has identified and analyzed various relevant sales evidences in the locality which have similar characteristics as the subject properties such as nature, use, size, layout, accessibility and environmental quality of the properties. The selected comparables are basically located in the area close to the subject properties or within the same development. Appropriate adjustments and analysis are considered to the differences in location, size and other characters between the comparable properties and the subject properties to arrive at an assumed unit rate for the subject properties.

In the valuation of property interests by using income approach, JLL has taken into account the rental income of the subject properties derived from their existing leases and/or achievable in the existing market with due allowance for the reversionary income potential of the leases, which have then been capitalized to determine the market value of the subject properties at an appropriate capitalization rate. Where appropriate, reference has also been made to the comparable sales transactions as available in the relevant market.

In the valuation of property interests which are construction in progress, JLL has assumed that they will be developed and completed in accordance with our latest development proposals. In arriving at its opinion of values, JLL has adopted the comparison approach by making reference to comparable sales evidence as available in the relevant market and have also taken into account the accrued construction cost and professional fees relevant to the stage of construction as of the valuation date and the remainder of the cost and fees expected to be incurred for completing the development. JLL has relied on the accrued construction cost and professional fees information provided by the Group according to the different stages of construction of the properties as of the valuation date, and did not find any material inconsistency from those of other similar developments.

According to JLL, the aggregate market value of the property in which we had an interest as of July 31, 2020 was RMB150,794.7 million, and the value attributable to us was RMB126,810.2 million. The full text of the letter and summary of valuation with regard to our property interests is set out in "Property Valuation" in Appendix III. For risks associated with assumptions made in the valuation of our properties, see "Risk Factors — Risks Relating to Our Business — The actual realizable value of our properties may be substantially lower than their appraisal value and is subject to change."

GLOBAL OFFERING STATISTICS

The statistics in the following table are based on the assumptions that: (i) the Global Offering is completed and 600,000,000 Shares are issued and sold in the Global Offering; (ii) the Over-allotment Option is not exercised and without taking into account any Shares which may be issued upon exercise of any options which may be granted under the Share Option Scheme; and (iii) 4,000,000,000 Shares are issued and outstanding upon completion of the Global Offering.

	Based on an Offer Price of HK$3.50 per Offer Share	**Based on an Offer Price of HK$4.50 per Offer Share**
Market capitalization of our Shares	HK$14,000 million	HK$18,000 million
Unaudited pro forma adjusted net tangible asset value per Share(1)	HK$5.34(2)	HK$5.47(2)

Notes:

(1) The unaudited pro forma adjusted net tangible asset value per Share is calculated after making the adjustments referred to in "Unaudited Pro Forma Financial Information" in Appendix II to this Prospectus.

(2) The unaudited pro forma adjusted consolidated net tangible assets per Share does not take into account the declared dividends of USD100.0 million subsequent to April 30, 2020, details of which are disclosed in "Summary — Dividend Policy" and "Financial Information — Dividend Policy and Distributable Reserves" in this Prospectus. Had such dividends been taken into account, the unaudited pro forma adjusted consolidated net tangible assets per Share would be approximately HK$5.14 (based on an offer Price of HK3.50 per Share) and approximately HK$5.28 (based on an offer Price of HK4.50 per Share). The converting rate from Hong Kong dollars to Renminbi is at a rate of HK$1.0 to RMB0.8787 and the converting rate from United States dollars to Renminbi is at a rate of USD1.0 to RMB6.8101.

DIVIDEND POLICY

The Company did not declare or pay dividends during the Track Record Period. On July 2, 2020, a dividend of US$100.0 million was declared, of which US$50.0 million and US$50.0 million had been paid in July and September 2020, respectively. Going forward, we will re-evaluate our dividend policy in light of our financial position and the prevailing economic climate. However, the determination to pay dividends will be made at the discretion of our Directors, depending on our results of operations, working capital, financial position, future prospects and capital requirements, as well as any other factors which our Directors may consider relevant. See "Financial Information — Dividend Policy and Distributable Reserves" in this Prospectus.

USE OF PROCEEDS

We estimate that we will receive net proceeds of approximately HK$2,268.0 million from the Global Offering, after deducting the underwriting commissions and other estimated expenses payable by us in connection with the Global Offering, assuming that the Over-allotment Option is not exercised, without taking into account any Shares which may be issued upon exercise of any options which may be granted under the Share Option Scheme and assuming an Offer Price of HK$4.00 per Share (being the mid-point of the indicative Offer Price range set forth on the cover page of this Prospectus). We intend to use such net proceeds from the Global Offering for the purposes and in the amounts set forth below:

- approximately 60%, or approximately HK$1,360.8 million, will be used to finance the construction of our property development projects;

- approximately 30%, or approximately HK$680.4 million, will be partially used to repay a portion of our existing trust loans for our project development; and

- approximately 10%, or approximately HK$226.8 million, will be used for general business operations and working capital.

See "Future Plans and Use of Proceeds" in this Prospectus.

PREVIOUS APPLICATIONS FOR LISTING ON THE STOCK EXCHANGE AND THE SHANGHAI STOCK EXCHANGE

Radiance Group Holdings, one of our Controlling Shareholders, submitted an application for listing on the Stock Exchange on September 17, 2013 for the proposed listing of its shares on the Main Board of the Stock Exchange and such application was lapsed in March 2014. Radiance Group submitted an application for listing on the Shanghai Stock Exchange on January 26, 2016 and such application was voluntarily withdrawn in April 2020.

In relation to the Previous Listing Applications, the Joint Sponsors have conducted various due diligence works to (i) understand the background of the Previous Listing Applications and the reasons for the withdrawal/lapse of the Previous Listing Applications; and (ii) ascertain whether there is any material issue in relation to the Previous Listing Applications that would materially and adversely affect the Company's suitability for Listing. See "History, Reorganization and Corporate Structure — Previous Applications for Listing on the Stock Exchange and the Shanghai Stock Exchange" for more details.

RECENT DEVELOPMENTS AND NO MATERIAL ADVERSE CHANGE

Business Highlights

Our business remained stable after April 30, 2020 and up to the Latest Practicable Date as there were no material changes to our business models and regulatory environment in which we operate. We actively continued to expand our business by obtaining land parcels and entering into cooperation with business partners. We also look for diversified financing resources to support our business growth. Our forecast gross profit margin for the year of 2020 is expected to be relatively lower than that for the four months ended April 30, 2020, primarily because we expect to deliver properties of a large-scale property project, namely Hangzhou Jiushang Elite's Mansion (杭州久尚雲築), which is expected to derive relatively lower profit margins in the rest of 2020.

Hangzhou Jiushang Elite's Mansion is expected to have a lower profit margin because of its higher land acquisition costs and the local government's price control measures.

Since April 30, 2020 and up to the Latest Practicable Date, we had entered into the relevant land grant contracts with the government authorities and obtained land use rights certificates with respect to seven parcels of land with a total site area of approximately 404,841 sq.m. at an aggregate consideration of approximately RMB8.8 billion. Two land parcels are located in Chongqing and the other five are located in Zhangjiagang, Foshan, Shaoxing, Wuxi and Huai'an, respectively. During the same period, we had entered into the relevant land grant contracts with the government authorities but had not yet obtained the land use right certificates for four parcels of land with a total site area of approximately 220,404 sq.m. at an aggregate consideration of approximately RMB3.4 billion. These four parcels of land are located in Foshan, Yangzhou, Huai'an and Quanzhou, respectively.

Moreover, during this period, we entered into a business cooperation agreement with an Independent Third Party to jointly develop a property project. The Independent Third Party had won the bid for one land parcel with a total site area of approximately 20,300 sq.m. and transferred the land parcel to us. This parcel of land is located in Huizhou, Guangdong Province. As of the Latest Practicable Date, the Independent Third Party had obtained the land use right certificate for the land parcel. We also entered into a business cooperation agreement with two Independent Third Parties to jointly develop a property project. The Independent Third Parties had won the bid for one land parcel located in Changsha, Hunan Province with a total site area of approximately 93,063 sq.m. As of the Latest Practicable Date, the Independent Third Parties had not obtained the land use right certificate for the land parcel. We also entered into a business cooperation agreement with another Independent Third Party to jointly develop a property project. We had won the bid and entered into land grant contract for one land parcel located in Fuqing, Fujian Province with a total site area of approximately 65,225 sq.m. As of the Latest Practicable Date, we had not obtained the land use right certificate for the land parcel.

In May 2020, we entered into equity transfer agreements with two Independent Third Parties to acquire 80% and 20% equity interest, respectively, in Huizhou Yuxiangxin Properties Co., Ltd. (惠州市裕祥鑫房地產有限公司) ("Huizhou Yuxiangxin") at a total consideration of RMB4,000 for the sole purpose of acquiring another land parcel in Huiyang District, Huizhou City through public tender with a total site area of approximately 73,823 sq.m. As none of the registered capital of Huizhou Yuxiangxin was paid up at the time of such transfer, the consideration was determined after arm's length negotiations with reference to the administrative costs incurred in the establishment of Huizhou Yuxiangxin. As of the Latest Practicable Date, such transfer had been completed.

Only entities established in Huizhou City are allowed to participate in certain modes of the public tender processes and acquire land use right in Huiyang District, Huizhou City. We consider that Huizhou Yuxiangxin possesses the necessary capacity to participate in such public tender in Huiyang District, Huizhou City. Therefore, the sole purpose of such acquisition was to use Huizhou Yuxiangxin to acquire such land parcel in Huiyang District, Huizhou City through public tender. The principal business of Huizhou Yuxiangxin is property development and sales. As of the Latest Practicable Date, Huizhou Yuxiangxin did not possess any assets, was not engaged in any business and did not have any operations or employees.

Based on the facts that (i) Huizhou Yuxiangxin does not possess any assets, is not engaged in any business, and has no operations or employees; and (ii) the total assets of Huizhou Yuxiangxin will solely or substantially comprise the relevant lands acquired if it succeeds in winning the relevant bid through public tender, our reporting accountant has confirmed that such acquisition, despite involving the acquisition of the equity interest of Huizhou Yuxiangxin, is an acquisition of assets and does not constitute business combination under IFRS 3 and the relevant amendments to IFRS 3 published by the International Accounting Standards Board in 2018.

In addition, we continuously look for diversified financing opportunities to support our business. Radiance Capital Investments, an indirect wholly-owned subsidiary of Radiance Group, issued 8.8% senior notes in an aggregate amount of US$250.0 million in June 2020. In June 2020, Radiance Group, the holding company of all of our PRC subsidiaries, issued an aggregate principal amount of RMB650.0 million corporate bonds due 2024, which bear interest at 6.95% per annum. The RMB650.0 million corporate bonds are listed on the Shanghai Stock Exchange. In July 2020, Radiance Group issued an aggregate principal amount of RMB500.0 million private corporate bonds due 2023, which bear interest at 7.00% per annum. The RMB500.0 million private corporate bonds are listed on the Shanghai Stock Exchange. See “Financial Information — Indebtedness — Trust and Other Financing Arrangements — Other Financing Arrangements.”

After April 30, 2020 and up to August 31, 2020, we entered into 20 bank loans for borrowings with an aggregate amount of RMB12,420.0 million and 6 trust financing arrangements for borrowings with an aggregate amount of RMB4,135.8 million, respectively. We repaid one of the above-mentioned six trust financing arrangements as of August 31, 2020. See “Financial Information — Indebtedness — Trust and Other Financing Arrangements — Trust Financing. ” Since September 1, 2020 and up to the Latest Practicable date, we entered into eight bank loans or financing arrangements for borrowings with an aggregate amount of RMB2,998.0 million. The details of these eight bank loans or financing arrangements are set forth below.

Item	**Financial institution**	**Annual interest rate**	**Term**	**Principle amount**
			(Months)	**(RMB in million)**
1.	Fuzhou Branch of China Guangfa Bank (廣發銀行)	fixed interest rate of the PRC inter-bank loan prime rate	36	250.0
2.	Second Center Branch of Tianjin Bank (天津銀行)	fixed interest rate of 6.0%	36	400.0
3.	Shijiazhuang Branch of China Everbright Bank (中國光大銀行)	fixed interest rate of 5.5%	24	250.0
4.	Shanghai Branch of China Orient Asset Management Co., Ltd. (中國東方資產管理股份有限公司)	fixed interest rate of 9.2%	24	648.0
5.	Foshan Branch of China Everbright Bank (中國光大銀行)	Floating interest rate of the PRC inter-bank loan prime rate plus 235 basis points	24	250.0
6.	Xuzhou Branch of Jiangsu Bank (江蘇銀行) and Southern Capital Management (南方資本管理有限公司)	floating interest rate of the higher of the PRC inter-bank loan prime rate plus 235 basis points per annum and 6.2%	36	400.0
7.	Huai’an Chengzhong Branch of Industrial and Commercial Bank of China (中國工商銀行)	floating interest rate of the PRC inter-bank loan prime rate plus 90 basis points	36	600.0
8.	Lianyungang Branch of Huaxia Bank (華夏銀行)	fixed interest rate of the PRC inter-bank loan prime rate plus 165 basis points	36	200.0

COVID-19 Pandemic

Toward the end of 2019, a highly infectious novel coronavirus, namely COVID-19, was reported. In March 2020, the World Health Organization characterized the outbreak of COVID-19 a pandemic. The impacts of the COVID-19 pandemic on our business are set forth below.

Impacts of the COVID-19 Pandemic on our Business

Property Development

We expect to experience delays in construction completion and property delivery. Out of our five projects in Hubei Province, we (i) expect to experience an approximately three-month delay in construction completion and property delivery for certain parts of three projects; (ii) expect to experience an approximately three-month delay in commencement of construction for one project; and (iii) do not expect to experience any delays in construction completion and property delivery for our project in Jingzhou, Hubei Province. For our projects outside Hubei Province, we experienced an approximately (i) one-month delay in property delivery for certain parts of two projects; and (ii) two-month delay in property delivery for certain parts of one project. In addition, we experienced an approximately two-month delay in commencement of pre-sales for certain parts of one project outside Hubei Province. Since December 31, 2019 and up to the Latest Practicable Date, 62 property purchasers requested to terminate their purchase contracts with us, involving an aggregate contract price of approximately RMB101.0 million, which represents approximately 0.2% of our total contracted sales during the same period. Terminations of purchase contracts occur from time to time in the ordinary course of our business, and are generally due to property purchasers' individual reasons. To our best knowledge, the above-mentioned terminations were due to such similar individual reasons unrelated to the COVID-19 pandemic. As of the Latest Practicable Date, 37 out of the 62 properties had been subsequently sold to other purchasers. Since the outbreak of the COVID-19 pandemic and up to the Latest Practicable Date, we did not experience any significant shortage of construction materials or labors that materially interrupted the construction or sales of our properties, and we did not experience any significant disruption to the services provided by our contractors or the supply of materials from our suppliers.

Property Leasing

We also implemented rent reduction or exemption measures for certain tenants with respect to our investment properties located in Beijing, Chongqing, Xi'an and Suzhou. As a result of such measures, the total amount of rent reduced and exempted since December 31, 2019 and up to the Latest Practicable Date was approximately RMB13.1 million. Since December 31, 2019 and up to the Latest Practicable Date, 14 tenants sought an earlier termination of their lease contracts with us, and as a result, we incurred a loss of approximately RMB1.1 million rental income after deducting the forfeited deposits. To our best knowledge, certain tenants sought an earlier termination as their business operations were adversely affected by the reduced customer traffic flows and decreased business activities as a result of the COVID-19 pandemic. As of the Latest Practicable Date, eight out of those 14 properties had been fully or partially leased to new tenants. As the COVID-19 pandemic has been effectively contained in China as of the date of this Prospectus, we do not expect any further termination of lease contracts due to similar reasons.

Other Impacts

We expect to incur additional costs and expenses of approximately RMB28.8 million since the outbreak of the COVID-19 pandemic and up to the Latest Practicable Date to (i) purchase epidemic prevention materials; (ii) build quarantine spaces and facilities in our construction sites pursuant to relevant governmental requirements for workers who returned for work and were quarantined for a certain period of time before resuming working on site; and (iii) provide compensation and financial incentives to our contractors to help them return to work. We may continue to purchase medical and cleaning supplies in the near future to protect the health of our employees, the expenses of which we believe would be immaterial to us. For our management consulting services, the service fees are typically stipulated as a percentage of the contracted sales of the projects developed by joint ventures and associates for which we provide management consulting services. As we expect the COVID-19 pandemic to have a limited impact on the development and sales of the relevant projects, we expect the pandemic to only have a limited adverse impact on our management consulting service business.

As a result of the COVID-19 pandemic, since late January 2020 and up to mid-April 2020, we had suspended the construction activities for our property development projects in compliance with the governmental requirements. However, as the impact of COVID-19 pandemic on each region of China varies, the local governments implemented differentiated restricted measures regarding construction activities. Accordingly, the exact suspension period for each project varies. We timely applied for approvals for resumption of constructions from relevant authorities pursuant to the relevant local regulations and requirements as the COVID-19 pandemic were gradually contained across different regions, with the first project that resumed operations in Changsha in mid-February 2020, and the last project that resumed operations in Wuhan in mid-April 2020.

We require all of our employees to follow the required steps taken by various local governments when returning to work, including various quarantine requirements. To our best knowledge, only one of our employees in Wuhan was infected with COVID-19 in January 2020 and had recovered in February 2020. As of the Latest Practicable Date, no employee was still subject to quarantine as a result of infection. To our best knowledge, no key management personnel of our general contractors were being quarantined as of the Latest Practicable Date. As the general contractors may further engage sub-contractors, we are not aware whether any sub-contractors or their respective work force were/are being quarantined. We have obtained approvals for each of our projects that resumed construction and has required its general contractors as well as other sub-contractors and personnel on the construction sites to strictly follow the requirements of local governments with respect to disinfection and body temperature monitoring.

Evaluation of Future Impacts

For one project located in Hubei Province whose delivery schedule may be delayed, we still expect to deliver the relevant properties and recognize revenue of approximately RMB1.0 billion in 2020. For our projects outside Hubei Province for which we experienced delays in property delivery, we expect to recognize revenue of approximately RMB4.9 billion in 2020. For one project outside Hubei Province for which we experienced delay in the commencement of pre-sales, we do not expect to conduct property delivery for the project in Langfang in 2020 and therefore do not expect to recognize any revenue for this project in 2020. As such, we do not expect the estimated delays in property delivery to adversely affect our results of operations for the year ending December 31, 2020. In light of the foregoing, our Directors are of the view that the COVID-19 pandemic did not have a material adverse impact on our results of operations, financial condition and business prospects during the Track Record Period and will not have a significant impact on our business and financial conditions going forward. See

"Risk Factors — Risks Relating to the PRC — The COVID-19 pandemic may adversely affect the PRC economy, the PRC real estate industry and our business operations" and "Business — Effects of the COVID-19 Pandemic."

As the COVID-19 pandemic continues to spread globally, China's economy may, as a result, be adversely affected though the COVID-19 pandemic has been effectively controlled in China. Notwithstanding that, based on the results of the business assessment conducted and taking into account that (i) no proceeds from pre-sales and sales of properties would be received from June 1, 2020 onwards; (ii) contracted cash paid for land acquisition would remain unchanged, while construction costs and costs for other services in relation to property development would decrease by 80% as we would adjust the construction progress of existing projects, delay the commencement of construction of new projects and adjust our overall budget and payment schedules accordingly; (iii) tax paid would decrease as the corresponding pre-paid LAT and corporate income tax would be deducted when no proceeds from pre-sales and sales of properties were received; (iv) sales and marketing expenses, administrative expenses and other relevant expenses would decrease as we would only maintain minimum marketing and operational activities; (v) we would not make further purchases of property, plant and equipment and intangible assets; (vi) additional costs are expected to be incurred as a result of the COVID-19 pandemic; and (vii) we would receive proceeds allocated to general working capital purpose from the Global Offering in October 2020, our Directors are of the view that our Group will remain financially viable for approximately 11 months from August 2020 in the worst case scenario where all of our businesses are ceased in case the situation worsens.

Our Directors confirm that, since April 30, 2020, the latest date of our financial statements and up to the date of this Prospectus, there has been no material adverse change in our financial or trading position, indebtedness, mortgage, contingent liabilities, guarantees or prospects.

NON-COMPLIANCE MATTERS

During the Track Record Period, we experienced certain non-compliance incidents, including (i) incidents relating to pre-sale proceeds, namely, failure to fully or directly deposit the required amounts of pre-sale proceeds into the designated escrow accounts, utilization of pre-sale proceeds beyond permitted scope of usage under the relevant local regulations and policies, and failure to maintain sufficient cash balances in the designated escrow accounts; (ii) commencement of construction works prior to obtaining the requisite work permit/approval; (iii) inappropriate advertising, pricing and pre-sales; and (iv) failure to make adequate social insurance and housing provident fund contributions. On the basis that (i) we had paid the relevant penalties, where applicable, in full; (ii) we had obtained the confirmations from the competent government authorities or as advised by our PRC Legal Advisors that pursuant to the relevant applicable regulations that, the relevant non-compliance incidents were immaterial; (iii) our PRC Legal Advisors are of the view that the risks that we will be subject to further administrative penalties for such non-compliance incidents by such relevant governmental authorities which imposed relevant penalties are low; and (iv) we had engaged the Internal Control Consultant to perform review on our remedial internal controls and had adopted the rectification measures to address such incidents and the enhanced internal control measures to ensure on-going compliance, and (v) the Internal Control Consultant did not have any further recommendation in the internal control system of the Group after the follow up review, our Directors are of the view, and the Joint Sponsors concur, that none of such non-compliance incidents will have a material adverse impact on us, and the non-compliance incidents would not negatively affect the Directors' competency under Rules 3.08 and 3.09 and hence the Company's suitability for Listing. See "Risk Factors — Risks Relating to Our Business — We may be subject to fines or penalties if we fail to comply with any applicable laws, rules or regulations" and "Business — Legal Proceedings and Compliance — Compliance with Laws and Regulations — Non-compliance Incidents."

LISTING EXPENSES

The total amount of listing expenses that will be borne by us in connection with the Global Offering, including underwriting commissions for the International Offer Shares, is estimated to be RMB116.0 million (representing 5.5% of gross proceeds from the Global Offering, based on the mid-point of the indicative Offer Price range), of which RMB69.8 million is expected to be accounted for as a deduction from equity in accordance with the relevant accounting standard. The remaining fees and expenses of RMB46.2 million were or are expected to be charged to our consolidated statements of profit or loss, of which approximately RMB9.5 million was charged to our administrative expenses for the year ended December 31, 2019, approximately RMB7.2 million was charged to our administrative expenses for the four months ended April 30, 2020 and approximately RMB29.5 million is expected to be charged to our administrative expenses subsequent to the end of the Track Record Period. The professional fees and/or other expenses related to the preparation of Listing subsequent to the end of the Track Record Period are currently in estimates for reference only and the actual amount to be recognized is subject to adjustment based on audit and the then changes in variables and assumptions. Our Directors do not expect such expenses to have a material adverse impact on our financial results for the year ending December 31, 2020.

RISK FACTORS

Our operations involve certain risks, some of which are beyond our control. These risks can be broadly categorized into: (i) risks relating to our business; (ii) risks relating to our industry; (iii) risks relating to the PRC; and (iv) risks relating to the Global Offering.

Some of the risks generally associated with our business and industry include the following: (i) our business and prospects are dependent on the economic conditions in the PRC and are susceptible to adverse movements in the PRC real estate market, particularly in provinces and cities where we have property development projects; (ii) we may not be able to identify desirable locations or acquire land use rights for future property development on favorable terms, or at all; (iii) we may not have adequate financing to fund our future land acquisition and property development projects, and capital resources may not be available on favorable terms, or at all; (iv) we generated substantially all of our revenue from the sales of properties during the Track Record Period, and our results of operations may fluctuate due to factors such as the timing of our property sales and property delivery; and (v) our sales may vary from period to period and such fluctuations make it difficult to predict our future performance.

These risks are not the only significant risks that may affect the value of our Shares. You should carefully consider all of the information set forth in this Prospectus and, in particular, should evaluate the specific risks set forth in "Risk Factors" in deciding whether to invest in our Shares.

In this Prospectus, unless the context otherwise requires, the following words and expressions have the following meanings. Certain technical terms are explained in "Glossary."

"Application Form(s)"	**WHITE** Application Form(s), **YELLOW** Application Form(s) and **GREEN** Application Form(s), or where the context so requires, any of them which is used in relation to the Hong Kong Public Offering
"Application Lists"	the application lists for the Hong Kong Public Offering
"Articles of Association" or "Articles"	the amended and restated articles of association of the Company, conditionally adopted on October 5, 2020 and which will come into effect upon Listing, a summary of which is set out in "Appendix IV — Summary of the Constitution of the Company and Cayman Islands Law" of this Prospectus
"associate(s)"	has the meaning ascribed thereto under the Listing Rules
"Beijing Jinhui Beiwang"	北京金輝北望商業管理有限公司 (Beijing Jinhui Beiwang Commercial Management Co., Ltd.*), our indirect non-wholly owned subsidiary which is a limited liability company established in the PRC on March 15, 2017, and is wholly owned by Radiance Group
"Beijing Jinhui Yuanshan"	北京金輝原山投資發展有限公司 (Beijing Jinhui Yuanshan Investment Development Co., Ltd.*), our indirect non-wholly owned subsidiary which is a limited liability company established in the PRC on January 22, 2013, and is wholly owned by Radiance Group
"Beijing Juye Investment"	北京居業投資有限公司 (Beijing Juye Investment Co., Ltd.*), our indirect non-wholly owned subsidiary which is a limited liability company established in the PRC on December 4, 2009, and is wholly owned by Radiance Group
"Beijing Ronghui Real Estate"	北京融輝置業有限公司 (Beijing Ronghui Real Estate Co., Ltd.*) (formerly known as 北京融僑置業有限公司 (Beijing Rongqiao Real Estate Co., Ltd.*)), our indirect non-wholly owned subsidiary which is a limited liability company established in the PRC on June 15, 2009, and is wholly owned by Radiance Group
"Board" or "Board of Directors"	the board of directors of the Company
"business day"	any day (other than a Saturday, Sunday or public holiday) on which banks in Hong Kong are generally open for business
"BVI"	the British Virgin Islands

"Capitalization Issue"	the issue of 3,399,999,998 Shares to be made upon capitalization of an amount of HK$33,999,999.98 standing to the credit of the share premium account of the Company as referred to in "Appendix V — Statutory and General Information — A. Further Information about the Company and its Subsidiaries — 4. Written Resolutions of our Sole Shareholder Passed on October 5, 2020" of this Prospectus
"Cayman Islands Companies Law"	the Companies Law of the Cayman Islands, as amended, supplemented or otherwise modified from time to time
"CBRC"	China Banking Regulatory Commission (中國銀行業監督管理委員會)
"CCASS"	the Central Clearing and Settlement System established and operated by HKSCC
"CCASS Clearing Participant"	a person admitted to participate in CCASS as a direct clearing participant or general clearing participant
"CCASS Custodian Participant"	a person admitted to participate in CCASS as a custodian participant
"CCASS Investor Participant"	a person admitted to participate in CCASS as an investor participant who may be an individual or joint individuals or a corporation
"CCASS Participant"	a CCASS Clearing Participant, a CCASS Custodian Participant or a CCASS Investor Participant
"Changsha Jinhui Real Estate"	長沙金輝置業有限公司 (Changsha Jinhui Real Estate Co., Ltd.*), our indirect non-wholly owned subsidiary which is a limited liability company established in the PRC on June 9, 2017, and is wholly owned by Radiance Group
"China" or "PRC"	the People's Republic of China, but for the purpose of this Prospectus and for geographical reference only and except where the context requires, references in this Prospectus to "China" or the "PRC" do not apply to Taiwan, Macau Special Administrative Region and Hong Kong
"Chongqing Jinhui Changjiang"	重慶金輝長江房地產有限公司 (Chongqing Jinhui Changjiang Properties Co., Ltd.*), our indirect non-wholly owned subsidiary which is a limited liability company established in the PRC on April 13, 2001, and is wholly owned by Radiance Group
"Chongqing Ronghui"	重慶融輝房地產有限公司 (Chongqing Ronghui Properties Co., Ltd.*), our indirect non-wholly owned subsidiary which is a limited liability company established in the PRC on March 24, 2004, and is wholly owned by Radiance Group

"close associate(s)"	has the meaning ascribed thereto under the Listing Rules
"Companies (WUMP) Ordinance"	the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
"Companies Ordinance" or "Hong Kong Companies Ordinance"	the Companies Ordinance (Chapter 622 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
"Company" or "our Company"	Radiance Holdings (Group) Company Limited (金輝控股（集團）有限公司), a company incorporated in the Cayman Islands as an exempted company with limited liability on October 17, 2019
"connected person(s)"	has the meaning ascribed thereto under the Listing Rules
"Controlling Shareholder(s)"	has the meaning ascribed thereto under the Listing Rules and, unless the context requires otherwise, collectively refers to Mr. Lam, Ms. Lam, Radiance Group Holdings and Glowing Shine
"core third-tier cities"	cities that are not first- or second- tier cities, but are close to provincial capitals, direct-controlled municipalities or within major metropolitan areas. The third-tier cities where our Group has property projects include Langfang, Lianyungang, Huai'an, Yancheng, Zhenjiang and Jingzhou
"COVID-19"	a viral respiratory disease caused by the severe acute respiratory syndrome coronavirus
"CSRC"	the China Securities Regulatory Commission (中國證券監督管理委員會), a regulatory body responsible for the supervision and regulation of the Chinese national securities markets
"Deed of Indemnity"	the deed of indemnity dated October 13, 2020 entered into by our Controlling Shareholders with and in favor of the Company (for itself and as trustee for each of its subsidiaries) with particulars set out in "Appendix V — Statutory and General Information — E. Other Information — 1. Tax and Other Indemnities"
"Deed of Non-Competition"	the deed of non-competition dated October 13, 2020 entered into by our Controlling Shareholders with and in favor of the Company (for itself and as trustee for each of its subsidiaries) with particulars set out in "Relationship with Our Controlling Shareholders"
"Director(s)"	director(s) of the Company

"EIT"	the PRC enterprise income tax
"EIT Law"	the Enterprise Income Tax Law of the PRC (中華人民共和國企業所得稅法), enacted on March 16, 2007, effective from January 1, 2008 and amended on February 24, 2017 by the NPC
"Extreme Conditions"	extreme conditions caused by a super typhoon as announced by the government of Hong Kong
"Global Offering"	the Hong Kong Public Offering and the International Offering
"Glowing Shine"	Glowing Shine Limited (启辉有限公司), a company incorporated in the BVI with limited liability on October 17, 2019, which is wholly owned by Radiance Group Holdings, and is one of our Controlling Shareholders
"**GREEN** Application Form(s)"	the application form(s) to be completed by the **HK eIPO White Form** Service Provider designated by our Company
"Group," "our Group," "we," "our" or "us"	the Company and its subsidiaries or, where the context so requires, in respect of the period before the Company became the holding company of its present subsidiaries, such subsidiaries as if they were subsidiaries of the Company at that time
"Hangzhou Jinghui Real Estate"	杭州京輝置業有限公司 (Hangzhou Jinghui Real Estate Co., Ltd.*), our indirect non-wholly owned subsidiary which is a limited liability company established in the PRC on September 19, 2017, and is wholly beneficially owned by Radiance Group
"Hangzhou Qiying"	杭州啟盈企業管理諮詢有限公司 (Hangzhou Qiying Enterprise Management Consulting Co., Ltd.*), our indirect non-wholly owned subsidiary which is a limited liability company established in the PRC on June 9, 2017, and is wholly beneficially owned by Radiance Group
"**HK eIPO White Form**"	the application for Hong Kong Offer Shares to be issued in the applicant's own name by submitting applications online through the **IPO App** or the designated website at **www.hkeipo.hk**
"**HK eIPO White Form** Service Provider"	the **HK eIPO White Form** service provider designated by our Company, as specified in the **IPO App** or on the designated website at **www.hkeipo.hk**
"HKICPA"	Hong Kong Institute of Certified Public Accountants
"HKSCC"	Hong Kong Securities Clearing Company Limited, a wholly owned subsidiary of Hong Kong Exchanges and Clearing Limited

"HKSCC Nominees"	HKSCC Nominees Limited, a wholly owned subsidiary of HKSCC
"Hong Kong" or "HK"	the Hong Kong Special Administrative Region of the PRC
"Hong Kong dollars" or "HK$"	Hong Kong dollars, the lawful currency of Hong Kong
"Hong Kong Offer Shares"	the 60,000,000 Offer Shares (subject to adjustment as described in "Structure of the Global Offering") being initially offered by the Company for subscription pursuant to the Hong Kong Public Offering
"Hong Kong Public Offering"	the offer of the Hong Kong Offer Shares for subscription by the public in Hong Kong at the Offer Price, on and subject to the terms and conditions of this Prospectus and the Application Forms, as further described in "Structure of the Global Offering"
"Hong Kong Share Registrar"	Tricor Investor Services Limited
"Hong Kong Stock Exchange" or "Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Hong Kong Underwriters"	the underwriters of the Hong Kong Public Offering listed in "Underwriting — Hong Kong Underwriters"
"Hong Kong Underwriting Agreement"	the underwriting agreement dated October 15, 2020 relating to the Hong Kong Public Offering and entered into by, among others, the Company, our Controlling Shareholders and the Hong Kong Underwriters, as further described in "Underwriting — Underwriting Arrangements and Expenses"
"IFRSs"	International Financial Reporting Standards
"Independent Third Party(ies)"	an individual(s) or company(ies) who or which is/are to the best of our Director's knowledge, information and belief, having made all reasonable enquiries, is/are not our connected persons as defined under the Listing Rules
"International Offer Shares"	the 540,000,000 Shares (subject to adjustment as described in "Structure of the Global Offering") being initially offered by the Company for subscription at the Offer Price pursuant to the International Offering, together with, where relevant, any additional Shares to be issued pursuant to the exercise of the Over-allotment Option
"International Offering"	the conditional offering of the International Offer Share(s) by the International Underwriters to institutional and professional investors outside of the United States in reliance on Regulation S, as further described in "Structure of the Global Offering"

"International Underwriters"	the underwriters of the International Offering
"International Underwriting Agreement"	the international underwriting agreement relating to the International Offering and to be entered into by, among others, the Company, our Controlling Shareholders, the Joint Global Coordinators, the Joint Sponsors and the International Underwriters on or about October 21, 2020, as further described in "Underwriting — Underwriting Arrangements and Expenses — Hong Kong Public Offering — The International Offering"
"**IPO App**"	the mobile application for the **HK eIPO White Form** service which can be downloaded by searching "**IPO App**" in App Store or Google Play or downloaded at **www.hkeipo.hk/IPOApp** or **www.tricorglobal.com/IPOApp**
"JLL"	Jones Lang LaSalle Corporate Appraisal and Advisory Limited, our independent property valuer and industry consultant
"Joint Bookrunners"	ABCI Capital Limited, CLSA Limited, Haitong International Securities Company Limited, CMB International Capital Limited, Guotai Junan Securities (Hong Kong) Limited, GLAM Capital Limited, Vision Capital International Holdings Limited and AMTD Global Markets Limited
"Joint Global Coordinators"	ABCI Capital Limited, CLSA Limited and Haitong International Securities Company Limited
"Joint Lead Managers"	ABCI Securities Company Limited, CLSA Limited, Haitong International Securities Company Limited, CMB International Capital Limited, Guotai Junan Securities (Hong Kong) Limited, GLAM Capital Limited, Vision Capital International Holdings Limited, AMTD Global Markets Limited, China Silver Bullet Securities Company Limited and Livermore Holdings Limited
"Joint Sponsors"	ABCI Capital Limited, CLSA Capital Markets Limited and Haitong International Capital Limited
"Jubilance Properties Limited"	Jubilance Properties Limited, a company incorporated in the BVI with limited liability on May 14, 2013 and a direct wholly-owned subsidiary of our Company
"Jurong Hongyuan"	句容弘源房地產開發有限公司 (Jurong Hongyuan Properties Development Co., Ltd.*), our indirect non-wholly owned subsidiary which is a limited liability company established in the PRC on July 3, 2009, and is wholly owned by Radiance Group
"Kam Fei Company"	Kam Fei Company (金輝投資公司), a company incorporated in Hong Kong with limited liability on May 4, 1993 and wholly owned by Mr. Lam

"Kam Fei Investment"	Kam Fei Investment (Hong Kong) Limited (金輝投資（香港）有限公司), a company incorporated in Hong Kong with limited liability on May 4, 2006 and an indirect wholly-owned subsidiary of our Company
"Langfang Qihui Properties Development"	廊坊市啟輝房地產開發有限公司 (Langfang Qihui Properties Development Co., Ltd.*), our indirect non-wholly owned subsidiary which is a limited liability company established in the PRC on April 8, 2019, and is wholly owned by Radiance Group
"Latest Practicable Date"	October 8, 2020, being the latest practicable date for the purpose of ascertaining certain information in this Prospectus prior to its publication
"Listing"	the listing of the Shares on the Main Board
"Listing Committee"	the Listing Committee of the Hong Kong Stock Exchange
"Listing Date"	the date, expected to be on or about October 29, 2020, on which the Shares are listed on the Hong Kong Stock Exchange and from which dealings in the Shares are permitted to commence on the Hong Kong Stock Exchange
"Listing Rules"	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended, supplemented or otherwise modified from time to time
"M&A Rules"	the Rules on the Mergers and Acquisitions of Domestic Enterprises by Foreign Investors (關於外國投資者併購境內企業的規定), jointly issued by the State-owned Assets Supervision and Administration Commission (國務院國有資產監督管理委員會), the MOFCOM, the SAT, the SAIC, the CSRC and the SAFE on August 8, 2006 and re-issued by MOFCOM on June 22, 2009
"Main Board"	the stock exchange (excluding the option market) operated by the Hong Kong Stock Exchange which is independent from and operated in parallel with the Growth Enterprise Market of the Hong Kong Stock Exchange
"Memorandum" or "Memorandum of Association"	the amended and restated memorandum of association of the Company, conditionally adopted on October 5, 2020, a summary of which is set out in Appendix IV of this Prospectus
"Ministry of Land and Resources"	the Ministry of Natural Resources of the PRC (中華人民共和國自然資源部) or its predecessor, the Ministry of Land and Resources of the PRC (中華人民共和國國土資源部)

"MOF"	the Ministry of Finance of the PRC (中華人民共和國財政部)
"MOFCOM"	the Ministry of Commerce of the PRC (中華人民共和國商務部)
"MOHURD" or "Ministry of Construction"	the Ministry of Housing and Urban-Rural Development of the PRC (中華人民共和國住房和城鄉建設部) or its predecessor, the Ministry of Construction of the PRC (中華人民共和國建設部)
"Mr. Lam"	Mr. Lam Ting Keung (林定强), our executive Director and one of our Controlling Shareholders
"Ms. Lam"	Ms. Lam Fung Ying (林鳳英), the spouse of Mr. Lam and one of our Controlling Shareholders
"NDRC"	the National Development and Reform Commission of the PRC (中華人民共和國國家發展和改革委員會)
"NPC"	the National People's Congress of the PRC (中華人民共和國全國人民代表大會)
"Offer Price"	the final Hong Kong dollar price per Share (exclusive of brokerage fee, Hong Kong Stock Exchange trading fee and SFC transaction levy) at which the Offer Shares are to be subscribed for pursuant to the Global Offering
"Offer Share(s)"	the Hong Kong Offer Shares and the International Offer Shares together with, where relevant, any additional Shares to be issued pursuant to the exercise of the Over-allotment Option
"Over-allotment Option"	the option expected to be granted by the Company to the Joint Global Coordinators (for themselves on behalf of the International Underwriters) under the International Underwriting Agreement to require the Company to issue up to 90,000,000 additional Shares (representing 15% of the Offer Shares initially being offered under the Global Offering) at the Offer Price, to cover over-allocations of the International Offering, if any, as further described in "Structure of the Global Offering"
"PBOC"	People's Bank of China (中國人民銀行), the central bank of the PRC
"PRC Company Law"	the PRC Company Law (中華人民共和國公司法)
"PRC GAAP"	generally accepted accounting principles in the PRC

"PRC Government"	the central government of the PRC and all governmental subdivisions (including provincial, municipal and other regional or local government entities) and organizations of such government or, as the context requires, any of them
"PRC Legal Advisors"	Jingtian & Gongcheng, legal advisors to the Company on PRC laws in connection with the Global Offering
"Price Determination Date"	the date, expected to be on or around Wednesday, October 21, 2020 but no later than Thursday, October 22, 2020, on which the Offer Price is fixed for the purposes of the Global Offering
"Principal Share Registrar"	Tricor Services (Cayman Islands) Limited
"Prospectus"	this prospectus issued in connection with the Hong Kong Public Offering
"Province" or "province"	each being a province or, where the context requires, a provincial level autonomous region or municipality under the direct supervision of the PRC Government
"Radiance Capital Investments"	Radiance Capital Investments Limited (金輝資本投資有限公司), our indirect non-wholly owned subsidiary which is a limited liability company incorporated in the BVI on June 6, 2017, and is wholly owned by Radiance Group
"Radiance Group"	金輝集團股份有限公司 (Radiance Group Co., Ltd.*) (formerly known as 金輝集團有限公司 (Jinhui Group Co., Ltd.*) and 福建金輝房地產有限公司 (Fujian Jinhui Properties Co., Ltd.*)), our indirect non-wholly owned subsidiary which is a limited liability company established in the PRC on September 2, 1996 and is beneficially owned as to 96% by the Company and 4% by 上海華月實業投資有限公司 (Shanghai Huayue Industrial Investment Co., Ltd.*), which is collectively and wholly-owned by the relatives of Mr. Lam
"Radiance Group Holdings"	Radiance Group Holdings Limited (金輝集團控股有限公司) (formerly known as Radiance Property Holdings Limited (金輝地產控股有限公司)), a company incorporated in the Cayman Islands as an exempted company with limited liability on May 14, 2013 which is owned as to 64.97% by Mr. Lam and 35.03% by Ms. Lam, and one of our Controlling Shareholders
"Radiance Lifestyle Holdings"	Radiance Lifestyle Holdings Limited (辉生活控股有限公司), a company incorporated in the Cayman Islands as an exempted company with limited liability on October 17, 2019 which is indirect wholly-owned by Radiance Group Holdings

"Regulation S"	Regulation S under the U.S. Securities Act
"Renminbi" or "RMB"	the lawful currency of the PRC
"Reorganization"	the reorganization of our Group as described in "History, Reorganization and Corporate Structure — Reorganization"
"Rongqiao Fuzhou Real Estate"	融僑（福州）置業有限公司 (Rongqiao (Fuzhou) Real Estate Co., Ltd.*), our indirect non-wholly owned subsidiary which is a limited liability company established in the PRC on June 24, 1992, and is beneficially owned as to 60% by Radiance Group and 40% by an Independent Third Party
"SAFE"	the State Administration of Foreign Exchange of the PRC (中華人民共和國國家外匯管理局)
"SAIC"	the State Administration for Industry and Commerce of the PRC (中國國家工商行政管理總局), including, as the context may require, its local counterparts, which was merged into the State Administration of Market Regulation (中國國家市場監督管理總局)
"SAT"	the State Administration of Taxation of the PRC (中華人民共和國國家稅務總局)
"SCNPC"	the Standing Committee of the NPC
"Securities and Futures Commission" or "SFC"	the Securities and Futures Commission of Hong Kong
"SFO"	the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong, as amended, supplemented or otherwise modified from time to time
"Shanghai Ronghui Juye"	上海融輝居業房地產有限公司 (Shanghai Ronghui Juye Properties Co., Ltd.*), our indirect non-wholly owned subsidiary which is a limited liability company established in the PRC on May 20, 2009, and is wholly owned by Radiance Group
"Shanghai Tiancui"	上海天萃房地產開發有限公司 (Shanghai Tiancui Properties Development Co., Ltd.*), our indirect non-wholly owned subsidiary which is a limited liability company established in the PRC on December 8, 2015, and is wholly owned by Radiance Group
"Share(s)"	ordinary share(s) with nominal value of HK$0.01 each in the share capital of the Company, which are to be traded in Hong Kong dollars and listed on the Main Board

"Share Option Scheme"	the share option scheme conditionally adopted by the Company on October 5, 2020
"Shareholder(s)"	holder(s) of the Share(s)
"Stabilizing Manager"	ABCI Securities Company Limited
"State Council"	the State Council of the PRC (中華人民共和國國務院)
"Stock Borrowing Agreement"	the stock borrowing agreement to be entered into on or about the Price Determination Date between the Stabilizing Manager and Glowing Shine, pursuant to which Glowing Shine will agree to lend certain Shares to the Stabilizing Manager
"subsidiary(ies)"	has the meaning ascribed to it under the Listing Rules
"Substantial Shareholder(s)"	has the meaning ascribed to it under the Listing Rules
"Suzhou Jinhui Juye"	蘇州金輝居業有限公司 (Suzhou Jinhui Juye Co., Ltd.*) , our indirect non-wholly owned subsidiary which is a limited liability company established in the PRC on September 8, 2009, and is wholly owned by Radiance Group
"Suzhou Jinhui Properties Development"	蘇州金輝房地產開發有限公司 (Suzhou Jinhui Properties Development Co., Ltd.*), our indirect non-wholly owned subsidiary which is a limited liability company established in the PRC on January 9, 2015, and is wholly owned by Radiance Group
"Track Record Period"	the period comprising the three financial years ended December 31, 2017, 2018 and 2019 and the four months ended April 30, 2020
"Underwriters"	the Hong Kong Underwriters and the International Underwriters
"Underwriting Agreements"	the Hong Kong Underwriting Agreement and the International Underwriting Agreement
"United States," "USA" or "U.S."	the United States of America, its territories, its possessions and all areas subject to its jurisdiction
"U.S. Government"	the federal government of the United States, including its executive, legislative and judicial branches
"U.S. Securities Act"	the United States Securities Act of 1933, as amended
"US$," "USD" or "$"	U.S. dollars, the lawful currency of the United States

"**WHITE** Application Form(s)"	the application form(s) for those who require Hong Kong Offer Shares to be issued in the applicant's own name
"Wuhan Yaoxing Properties Development"	武漢耀星房地產開發有限責任公司 (Wuhan Yaoxing Properties Development Co., Ltd.*), our indirect non-wholly owned subsidiary which is a limited liability company established in the PRC on March 27, 2019, and is beneficially owned as to 65% by Radiance Group and 35% by two Independent Third Parties
"Xi'an Qitai Real Estate"	西安啟泰置業有限公司 (Xi'an Qitai Real Estate Co., Ltd.*), our indirect non-wholly owned subsidiary which is a limited liability company established in the PRC on April 14, 2017, and is wholly owned by Radiance Group
"Xi'an Qujiang Yuanshan"	西安曲江原山置業有限公司 (Xi'an Qujiang Yuanshan Real Estate Co., Ltd.*), our indirect non-wholly owned subsidiary which is a limited liability company established in the PRC on August 26, 2011, and is wholly owned by Radiance Group
"**YELLOW** Application Form(s)"	the application form(s) for those who require Hong Kong Offer Shares to be deposited directly into CCASS
"Zhengzhou Jinhui Xingye"	鄭州金輝興業房地產開發有限公司 (Zhengzhou Jinhui Xingye Properties Development Co., Ltd.*), our indirect non-wholly owned subsidiary which is a limited liability company established in the PRC on May 9, 2018, and is wholly owned by Radiance Group

The English translation of PRC entities, enterprises, nationals, facilities and regulations in Chinese or another language in this Prospectus is for identification purposes only. To the extent that there is any inconsistency between the Chinese names of PRC entities, enterprises, nationals, facilities and regulations and their English translations, the Chinese names shall prevail.

This glossary of technical terms contains terms used in this Prospectus in connection with us and our business. Some of these terms and their meanings may not correspond to standard industry meanings or usage of such terms.

"ABS"	asset-backed securities
"ASP"	average selling price
"Bohai Economic Rim"	a geographical region in China covering Beijing and Tianjin Municipalities, Hebei, Shandong, Liaoning Provinces and Jiangsu Province (North) for purposes of this Prospectus
"building ownership certificate"	building ownership certificate (房屋所有權證), a certificate issued by relevant authorities with respect to building ownership rights
"CAGR"	compound annual growth rate
"commercial property(ies)"	for purposes of this Prospectus, property(ies) designated for commercial use
"completion certificate"	the construction work completion inspection acceptance certificate (房屋建築工程竣工驗收備案表), issued by local urban construction bureaus or relevant authorities in China in connection with the completion of property development projects
"construction land planning permit"	the construction land planning permit (建設用地規劃許可證), issued by local urban zoning and planning bureaus or relevant authorities in China in connection with the planning of construction land
"construction work commencement permit"	the construction work commencement permit (建築工程施工許可證), issued by local construction bureaus or relevant authorities in China in connection with the commencement of construction work
"construction work planning permit"	the construction work planning permit (建設工程規劃許可證), issued by local urban zoning and planning bureaus or relevant authorities in China in connection with the planning of construction work
"contracted sales"	total contractual value of properties sold in the relevant period, i.e. the total contractual value determined in the formal sale and purchase contract signed by both parties; it includes completed properties sold and properties pre-sold prior to completion of construction; contracted sales in any given period is not equivalent to the revenue in the relevant period and shall not be deemed as an indication for the revenue to be recognized in any future period; contracted sales data is unaudited and is based on internal information of our Group, which is provided for investors' reference only

"first-tier cities"	cities specified by the MOHURD as such, being Beijing, Shanghai, Shenzhen and Guangzhou. The first-tier cities where our Group has property projects include Beijing and Shanghai
"GDP"	gross domestic product
"GFA"	gross floor area
"Jiangsu Province (North)"	a geographical region in Jiangsu Province covering Yancheng, Huai'an, Lianyungang and Xuzhou for purposes of this Prospectus
"Jiangsu Province (South)"	a geographical region in Jiangsu Province covering Nanjing, Suzhou, Yangzhou and Zhenjiang for purposes of this Prospectus
"land grant contract"	the state-owned land use right grant contract (國有土地使用權出讓合同), an agreement between a land user and the relevant PRC governmental land administrative authorities
"land use right certificate"	the state-owned land use right certificate (國有土地使用證), a certificate (or certificates, as the case may be) concerning one's right to use a parcel of land
"LAT"	land appreciation tax (土地增值稅), as defined in the Provisional Regulations of the People's Republic of China on Land Appreciation Tax (《中華人民共和國土地增值稅暫行條例》) and the Detailed Implementation Rules on the Provisional Regulations of the People's Republic of China on Land Appreciation Tax (《中華人民共和國土地增值稅暫行條例實施細則》)
"Northwestern China"	a geographical region in China covering Shaanxi, Henan, Shanxi and Gansu Provinces for purposes of this Prospectus
"plot ratio"	the ratio of the gross floor area (excluding floor area below ground) of all buildings to their site area
"pre-sales permit"	commodity property pre-sales permit (商品房預售許可證), a permit issued by local housing and building administrative bureaus or relevant authorities in China in connection with pre-sales of properties under construction
"residential property(ies)"	for purposes of this Prospectus, property(ies) designated for residential use
"second-tier cities"	the major cities in China defined by the PRC National Statistics Bureau that are either provincial capitals, direct-controlled municipalities or sub-provincial cities or have strong economic and

	business performance as defined by China Business Network. The second-tier cities where our Group has property projects include Shenyang, Tianjin, Shijiazhuang, Zhengzhou, Xi'an, Xuzhou, Yangzhou, Nanjing, Hefei, Suzhou, Hangzhou, Shaoxing, Ningbo, Wuhan, Chengdu, Chongqing, Changsha, Fuzhou, Quanzhou, Huizhou, Wuxi and Foshan
"Southern China"	a geographical region in China covering Guangdong, Guangxi, Fujian and Hainan Provinces for purposes of this Prospectus
"Southwestern China"	a geographical region in China covering Chongqing Municipality, Sichuan, Hunan, Hubei and Anhui Provinces for purposes of this Prospectus
"sq.m."	square meter(s)
"Yangtze River Delta"	a geographical region in China covering Shanghai Municipality, Zhejiang Province and Jiangsu Province (South) for purposes of this Prospectus
"%"	per cent

This Prospectus contains certain forward-looking statements and information relating to the Company and its subsidiaries that are based on the beliefs of our management as well as assumptions made by and information currently available to our management. When used in this Prospectus, the words or phrases "aim," "anticipate," "believe," "can," "continue," "could," "forecast," "expect," "is expected," "going forward," "intend," "ought to," "may," "might," "plan," "potential," "predict," "project," "seek," "should," "will," "would" and the negative of these words and other similar expressions, as they relate to our Group or our management, are intended to identify forward-looking statements. Such statements reflect the current views of our management with respect to future events, operations, liquidity and capital resources, some of which may not materialize or may change. These statements are subject to certain risks, uncertainties and assumptions, including the other risk factors as described in this Prospectus. You are strongly cautioned that reliance on any forward-looking statements involves known and unknown risks and uncertainties. The risks and uncertainties facing the Company which could affect the accuracy of forward-looking statements include, but are not limited to, the following:

- our business prospects;
- future developments, trends and conditions in the industry and markets in which we operate;
- our business strategies and plans to achieve these strategies;
- our ability to identify and integrate suitable acquisition targets;
- general economic, political and business conditions in the markets in which we operate;
- changes to the regulatory environment and general outlook in the industry and markets in which we operate;
- the effects of the global financial markets and economic crisis;
- our ability to reduce costs;
- the amount and nature of, and potential for, future development of our business;
- capital market developments;
- the actions and developments of our competitors;
- changes or volatility in interest rates, foreign exchange rates, equity prices or other rates or prices in the industry and markets in which we operate;
- certain statements in "Financial Information" with respect to trends in prices, volumes, operations, margins, overall market trends, risk management and exchange rates; and
- other statements in this Prospectus that are not historical facts.

Subject to the requirements of applicable laws, rules and regulations, we do not have any and undertake no obligation to update or otherwise revise the forward-looking statements in this Prospectus, whether as a result of new information, future events or otherwise. As a result of these and other risks, uncertainties and assumptions, the forward-looking events and circumstances discussed in this Prospectus might not occur in the way we expect, or at all. Accordingly, you should not place undue reliance on any forward-looking information. All forward-looking statements in this Prospectus are qualified by reference to the cautionary statements in this section.

In this Prospectus, statements of or references to our intentions or those of the Directors are made as of the date of this Prospectus. Any such information may change in light of future developments.

Potential investors should carefully consider each of the risks described below and all of the other information contained in this Prospectus, including the Accountants' Report included in Appendix I, before deciding to invest in the Offer Shares. Our business, financial condition, results of operations or prospects may be materially and adversely affected by any of these risks. You should pay particular attention to the fact that our subsidiaries in China are located in a legal and regulatory environment that in some respects differs significantly from that of other countries. The trading price of the Offer Shares could decline due to any of these risks, as well as additional risks and uncertainties not presently known to us, and you may lose all or part of your investment.

Our business and operations involve certain risks and uncertainties, many of which are beyond our control. These risks can be broadly categorized as (i) risks relating to our business; (ii) risks relating to our industry; (iii) risks relating to the PRC; and (iv) risks relating to the Global Offering.

RISKS RELATING TO OUR BUSINESS

Our business and prospects are dependent on the economic conditions in the PRC and are susceptible to adverse movements in the PRC real estate market, particularly in provinces and cities where we have property development projects.

Our business and prospects depend on the performance of the PRC real estate market, particularly in provinces and cities where we have property development projects. As of July 31, 2020, we had a total of 160 property development projects at various stages of development in the PRC, covering 31 cities across China, comprising 36 projects in the Yangtze River Delta, 38 projects in the Bohai Economic Rim, 33 projects in Southern China, 35 projects in Southwestern China and 18 projects in Northwestern China. Our profitability is correlated to the performance of the PRC real estate market, which is sensitive to economic fluctuations and is closely monitored by the PRC Government. Any adverse movements in the prices of supply of or demand for properties in the PRC, particularly in the cities where we have or plan to have property development projects, may adversely affect our results of operations, financial condition and business prospects.

In 2017, 2018 and 2019 and the four months ended April 30, 2020, approximately 24.7%, 35.7%, 29.4% and 13.5%, respectively, of our revenue from sales of properties were derived from the Yangtze River Delta. As of July 31, 2020, we had a total land bank of 29,081,757 sq.m., of which, 4,006,171 sq.m., or 13.8%, were located in the Yangtze River Delta. As we expect that our property projects located in the Yangtze River Delta will continue to contribute to a substantial proportion of our revenue in the near future, our business, financial condition and results of operations may be particularly subject to the market uncertainties, volatility and significant adverse change in the real estate market of the Yangtze River Delta.

The real estate market possesses the characteristic of cyclicity as a result of the fluctuation in national economy and global economy. For example, the real estate market in the PRC historically displayed cyclicity in terms of GFA of residential properties completed. There were drops in GFA of residential properties completed in 2015 and 2017 which coincided with the global economic recession and the macro-control policies adopted by the PRC Government with the aim of regulating overheated speculative real estate investment and increasing the supply of affordable residential properties. The real estate market may be affected by local, regional, national and global factors beyond our control, such as speculative activities, financial condition, government policies, natural disasters, epidemics and hostilities, among others. Although demand for residential and commercial properties in China grew rapidly in recent years, we cannot assure you that the real estate market in provinces and cities where we have undertaken, or will undertake, property development projects will continue to grow or that market downturns will not occur. The PRC Government has sought to stabilize the real estate market by promulgating various control measures. Such measures may affect property price level, market demand and supply and our business performance. Recently, the real estate market in the PRC has witnessed signs of a slowdown, with some developers reported to have lowered prices in order to stimulate sales and some local governments reported to have relaxed property purchase restrictions previously imposed as cooling measures to help boost demand. Any continuing adverse development and the ensuing decline in property sales or decrease in property prices in China may adversely affect our business and financial condition.

We may not be able to identify desirable locations or acquire land use rights for future property development on favorable terms, or at all.

We believe our ability to identify desirable locations and acquire suitable land use rights is key to the sustainable growth of our business. We need to replenish our land reserves periodically in order to sustain our business growth. However, our success in carrying out these business operations may be subject to factors beyond our control. The PRC Government may promulgate laws and regulations that effectively reduce the availability of new land suitable for development and hinder our ability to obtain land use rights, thereby intensifying competition between us and other property developers, and, as a result, increase our land acquisition costs.

Moreover, there is no assurance that we will be able to consistently leverage our knowledge of and experience in the PRC real estate market to identify desirable locations for property development. We may incur significant costs in identifying, evaluating and acquiring suitable land for development. To the extent that we are unable to obtain land use rights on favorable terms, or at all, we may fail to achieve expected returns on the sale and lease of our properties.

We may not be successful in managing our growth and expansion into new regions and cities.

In order to continue to achieve sustainable growth, we need to continue to seek development opportunities in selected regions and cities in the PRC with the potential for growth. As of July 31, 2020, we had established presence in 31 cities in China with a total land bank of 29,081,757 sq.m. We have expanded our business into the Yangtze River Delta, the Bohai Economic Rim, Southern China, Southwestern China and Northwestern China.

Expanding into new geographical locations involves uncertainties and challenges, as we may not be familiar with local regulatory practices and customs, customer preferences and behavior, the reliability of local contractors and suppliers, business practices and business environments and municipal-planning policies in relevant sub-markets. In addition, expanding our business into new geographical locations would entail competition with developers who have a better-established local presence or greater access to local labor, expertise and knowledge than we do. Competitive pressures may compel us to reduce prices and increase our costs, thus lowering our profit margins. There is no assurance that we will be able to pass any additional costs on to our customers. Furthermore, the construction, market and tax-related regulations in our target cities may be different from each other and we may face additional expenses or difficulties in complying with new procedural requirements and adapting to new environments. We may also be subject to higher land acquisition costs and longer acquisition time in certain cities.

As we may face challenges not previously encountered, we may fail to recognize or properly assess risks or take full advantage of opportunities, or otherwise fail to adequately leverage our past experience to meet challenges encountered in these new markets. For example, we may have difficulty in accurately predicting market demand for our properties in the cities into which we expand. We may also have difficulty in promoting and maintaining high occupancy rates and/or rental rates in the investment properties that we are currently developing in these new markets after these properties are completed and commence operations.

In addition, expanding into new regions and cities requires a significant amount of capital and management resources. We may not be able to manage the growth in our workforce to match the expansion of our business, and we, accordingly, experience issues such as capital constraints, construction delays, and lack of skillful and qualified personnel. Moreover, expanding our geographical reach will divert management attention from our existing operations. There is no assurance that we will be able to hire, train or retain sufficient talent to successfully implement our expansion plans. Our expansion plan may also be adversely impacted as a result of the outbreak of COVID-19 which may continue to expand within the PRC and globally.

We may not have adequate financing to fund our future land acquisition and property development projects, and capital resources may not be available on favorable terms, or at all.

Property development is capital-intensive, with substantial capital investments during the land acquisition and construction period. During the Track Record Period, we funded our land acquisition and property development primarily through internal cash flows, including proceeds from the pre-sales of our properties, bank loans, trust financing, corporate bonds and senior notes. However, we cannot assure you that our capital resources will be sufficient, or that we will be always able to obtain additional external financing on favorable terms, or at all. Our ability to obtain external financing may be subject to factors beyond our control, including, general economic conditions, changes to regulations, our financial performance and credit availability. In recent years, the PRC Government has taken a number of measures in the financial sector to further tighten lending requirements to property developers, which include:

- prohibit PRC commercial banks from extending loans to property developers to finance land premiums;

- prohibit PRC commercial banks from granting or extending revolving credit facilities to property developers that hold idle land;

- restrict PRC commercial banks from granting new property development loans to property developers that hold a large amount of vacant commodity properties;

- prohibit PRC commercial banks from taking commodity properties that have been vacant for more than three years as security for mortgage loans;

- prohibit PRC commercial banks and trust financing companies from granting loans to develop projects that fail to meet capital ratio requirements or lack the required government permits or certificates;

- tighten the grant of trust financing to property developers to control the scale and growth of real estate financing; and

- prohibit property developers from using borrowings obtained from any local banks to fund property developments outside that local region.

The PBOC regulates the reserve requirement ratio for commercial banks in the PRC, which affects the availability and cost of financing that we may obtain from them. We cannot assure you that the PRC Government will not introduce additional measures that may restrict our access to capital resources and external financing. Failure to secure sufficient external financing on favorable terms, or at all, may hinder our ability to implement and complete our property development projects.

In addition, the PRC Government has implemented restrictions on the ability of PRC property developers to obtain offshore financing which could affect our ability to deploy the funds raised outside of China in our business in the PRC. On May 23, 2007, the MOFCOM and the SAFE jointly promulgated the Notice on Further Strengthening and Regulating the Approval and Supervision of Foreign Direct Investment in the Real Estate Industry (關於進一步加強、規範外商直接投資房地產業審批和監管的通知), which provides that foreign-invested real estate enterprises approved to be incorporated by the competent local authority shall promptly complete required filings with the MOFCOM. These regulations effectively prohibit our ability to fund our PRC subsidiaries by way of shareholder loans. Pursuant to the Guidelines for Administration over Foreign Debt Registration (外債登記管理操作指引) promulgated by SAFE on April 28, 2013 and effective from May 13, 2013 and amended on May 4, 2015, real estate enterprises with foreign investment approved by local MOFCOM branches and filed with the MOFCOM after (and including) June 1, 2007 are not allowed to register foreign debt contracts with the SAFE or its local branches. Under the guidance, if the foreign-invested real estate enterprise does not pay up the registered capital, or obtain the land use right certificate, or the project capital for project development does not reach 35% of total amount of project investment, such enterprise shall not incur foreign debt and the SAFE or its local branches shall not register foreign debt contracts for such enterprise. According to the Circular of the General Office of the National Development and Reform Commission on Requirements for Record-filing for Issuance of Foreign Debts by Real Estate Enterprises《國家發展改革委辦公廳關於對房地產企業發行外債申請備案登記有關要求的通知》(發改辦外資[2019]778號) promulgated by the NDRC and came into effect on July 9, 2019, foreign debts issued by real estate enterprises could only be used for repaying medium- and long-term offshore debts that will be due in the upcoming year.

Furthermore, equity contributions by us and our non-PRC subsidiaries to our PRC subsidiaries will require registration with industrial and commercial administration authorities as well as foreign exchange authorities, and submission of the investment information to competent departments of commerce through the enterprise registration system and the enterprise credit information publicity system, which may take considerable time and delay the actual contribution to the PRC subsidiaries. This may adversely affect the financial condition of the PRC subsidiaries and may cause delays to the development undertaken by such PRC subsidiaries. In addition, our PRC subsidiaries which are foreign-invested enterprises shall register with the foreign exchange authorities after established, and shall undergo modification registration in case of any subsequent capital modification, such as capital increase or decrease or equity transfer. We cannot assure you that we have completed or will complete in a timely manner all relevant necessary registration for all our operating subsidiaries in the PRC to comply with this regulation. Moreover, we cannot assure you that the PRC Government will not introduce any new policies that further restrict our ability to deploy, or that prevent us from deploying, in China the funds raised outside of China. Therefore, we may not be able to use all or any of the capital that we may raise outside China to finance our projects in a timely manner, or at all.

We generated substantially all of our revenue from the sales of properties during the Track Record Period, and our results of operations may fluctuate due to factors such as the timing of our property sales and property delivery.

We generated substantially all of our revenue from the sales of properties during the Track Record Period. In 2017, 2018 and 2019 and the four months ended April 30, 2020, revenue from the sales of properties accounted for approximately 95.8%, 94.9%, 96.4% and 94.7%, respectively, of our total revenue during the same periods. Our results of operations may fluctuate due to factors such as the timing of our property sales and property delivery. We generally recognize revenue from the sales of our properties when or as the control of the asset is transferred to the customer. Until the completion certificate is issued, we would not be able to deliver the property to the customer or to recognize the related pre-sold proceeds as revenue. There is a time difference between pre-sales of projects under development and the completion of property construction. Because the timing of completion of our properties varies according to our construction timetable, our results of operations may vary significantly from period to period depending on the GFA sold or pre-sold, and the timing between our pre-sales, construction completion and the delivery of the properties to purchasers. Periods in which we pre-sell a large amount of aggregate GFA may not be the same periods in which we generate a correspondingly high level of revenue, if the properties pre-sold are not completed and delivered within the same period. The effect of timing of delivery on our operational results is accentuated by the fact that during any particular period of time we can only undertake a limited number of projects due to the substantial capital requirements for land acquisition and construction costs.

Fluctuations in our operating results may also be caused by other factors, including fluctuations in expenses, such as land grant premiums, development costs, administrative expenses, selling and marketing expenses, and changes in market demand for our properties. As a result, our period-to-period comparisons of results of operations and cash flow positions may not be indicative of our future results of operations and may not be taken as meaningful measures of our financial performance for any specific period. In addition, the cyclical property market of the PRC affects the optimal timing for the acquisition of land, the planning of development and the sales of properties. This cyclicality, together with the lead time required for the sales of properties and the completion of projects, means that our results of operations relating to property development activities may be susceptible to significant fluctuations from period to period. Furthermore, our property development projects may be delayed or adversely affected by a combination of factors beyond our control, which may in turn adversely affect our revenue recognition and consequently our cash flow and results of operations.

We may be unsuccessful in implementing our business strategies.

We formulate our business strategies based on, our judgment of market conditions and regulatory environment. For example, we intend to focus on the five regions where we have successfully established a presence and solidify our market positions by increasing our market shares in second-tier cities and core third-tier cities. See "Business — Our Strategies." However, we are subject to uncertainties in relation to implementing our business strategies and achieving the expected economic results. We may be hindered by factors beyond our control, such as competitive pressures from peer companies, lack of qualified and experienced personnel, natural disasters, epidemics, pandemics, difficulties in obtaining the required permits, licenses and certificates, delays in construction and logistical difficulties. Failure to successfully implement our business strategies may weaken our competitiveness in the long term and materially and adversely affect our business, financial condition and results of operations.

Our sales contracts are subject to termination and variation under certain circumstances and are not a guarantee of our current or future contracted sales.

We have included information relating to our contracted sales in this Prospectus. Contracted sales refer to the total contractual value of formal sales contracts we entered into with purchasers of our properties. We compile contracted sales information through our internal records. As these sales and purchases contracts are subject to termination or variation under certain circumstances pursuant to their contractual terms or otherwise, or subject to default by the relevant purchasers, they are not a guarantee of current or future operating performance. Contracted sales information included in this Prospectus should in no event be treated as an indication of our revenue or profitability. Our subsequent revenue recognized from such contracted sales may be materially different from such contracted sales. Accordingly, contracted sales information contained in this Prospectus should not be unduly relied upon as a measure or indication of our current or future operating performance.

Our sales may vary from period to period, and such fluctuations make it difficult to predict our future performance.

We rely on the cash flow generated from pre-sales and sales of our properties to fund our operations. Our property sales, however, may fluctuate from period to period due to a combination of various factors, including but not limited to general market conditions of property market in China and in the cities we operate, national and local government and bank policies, the overall development schedules of our projects, sales plans of our projects, mix in geographic locations, property series, and product types that we launch pre-sales in a particular period, and the timing and size of GFA approved by governmental authorities for our pre-sales. We cannot assure you that the GFA sold or pre-sold and selling prices of our properties and accordingly, the recognized GFA and recognized ASP of our properties, respectively, will continue to increase in the future. Because the timing of delivery of our properties varies according to our construction timetable, our results of operations may vary significantly from period to period depending on the GFA sold or pre-sold and the timing of completion of the properties we sell. Should our selling prices or recognized ASP decrease due to the change in mix in geographic locations, property series and product types for a particular period in the future or reasons beyond our control, our cash position and sales revenue will be materially adversely affected, which may adversely affect our ability to service our indebtedness as well.

In addition, there is no assurance that our selling prices or recognized ASP, as a whole, will always be consistent with the industry trends in the cities we operate. Although historically the fluctuations of the selling prices or recognized ASP for our residential and commercial properties were generally in line with the industry trend in the cities we operate, our selling prices or recognized ASP, as a whole, might deviate from the industry trends as a result of the changes in mix of property series and product types we launch sale and pre-sale in a particular period and the timing of the completion of properties, making it difficult to evaluate our historical performance and to predict future trends.

The total GFA of some of our property developments may be different from the original authorized total GFA.

Government grants of land use rights for a parcel of land specify in the land grant contract the permitted total GFA that the developer may develop on the land. In addition, the total GFA is also set out in the relevant urban planning approvals and construction permits. However, the actual GFA constructed may be different from the total GFA authorized in the land grant contract or the relevant urban planning approvals or the construction permits due to factors such as subsequent planning and design adjustments. The actual GFA may be subject to approval when the relevant authorities inspect the properties after completion. The developer may be required to pay additional land premium and/or administrative fines or take corrective actions in respect of the adjusted land use and excess GFA before a completion certificate (工程竣工驗收備案表) can be issued to the property developer. Until the completion certificate is issued, we would not be able to deliver individual units to purchasers or to recognize the related pre-sale proceeds as revenue. The methodology for calculating the additional land premium is generally the same as set out in the original land grant contract. If issues related to excess GFA cause delays in the delivery of our products, we may also incur liability to purchasers under our sales and purchase contracts. There can be no assurance that the constructed total GFA for each of our existing projects under development or any future property developments will not exceed permitted total GFA. Any of these factors may adversely affect our business.

We may fail to deliver our projects on time, on budget, or at all.

Property development typically requires significant capital resources, and a substantial amount of time may pass before they generate revenue. The progress of a property development project may be affected by various factors, which may include:

- natural disasters, adverse weather conditions, epidemics or pandemics;
- changes in market conditions, economic downturns and/or decline in customer interest;
- delays in obtaining requisite licenses, permits or approvals from relevant government authorities;
- changes in laws, rules, regulations and government policies;
- disputes with our joint venture partners;
- availability and cost of financing;
- increases in the prices of raw materials and labor costs;
- shortages of materials, equipment, contractors and skilled labor;
- latent soil or subsurface conditions and latent environmental damage requiring remediation;
- unforeseen engineering, design, environmental or geographic problems;
- labor disputes and strikes;
- construction accidents; and
- other unforeseen problems or circumstances.

For example, during the Track Record Period, we experienced certain delays in delivering properties to our customers and as a result incurred compensation and default payments. These delays were primarily caused by measures implemented by local governments to tackle air pollution and reduce smog. See "Financial Information — Description of Certain Consolidated Statements of Profit or Loss Items — Other Expenses." Starting from January 2017, various local governments formulated measures to tackle air pollution and reduce smog, including measures with respect to construction activities. To comply with such measures, construction activities related to earth works and main works may be suspended from time to time, and as a result, we may experience delays in commencement and completion of construction and property delivery. For example, Xi'an government promulgated Rules on Prevention and Control of Dust Pollution (西安市揚塵污染防治條例) which took effect on October 1, 2015, providing that, the relevant authorities shall, according to the air pollution alert level issued by the local government, take emergency measures including ordering the relevant enterprises to suspend the construction work or demolishment work. In addition, pursuant to the Interim Administrative Measures of Yangzhou for Prevention and Control of Dust Pollution (揚州市揚塵污染防治管理暫行辦法) promulgated by the relevant Yangzhou authority and came into effect on January 1, 2018, and the Work Plan of Zhenjiang for Special Treatment of Dust Prevention on Construction Site (鎮江市建築工地施工揚塵專項治理工作方案) promulgated by the relevant Zhenjiang authority and came into effect on April 2, 2018, a property developer is required to adopt dust prevention measures such as covering and hoarding construction site, spraying water on the surface of dusty material before, during and after excavation and washing vehicles during construction work to reduce air pollution. To comply with these measures, we may be required to suspend or slow down our construction from time to time, which may cause delays in our property construction, acceptance as well as delivery. In addition, before we are affected by one or more of the above factors, we may have already expended significant capital resources with little or no prospect of recovering or mitigating our losses. Substantial capital expenditures are generally incurred for business operations to do with land acquisition and construction. Construction itself may take a long time before we generate positive net cash flow through pre-sales, sales and leases. Our customers may be entitled to claim compensation for late delivery or terminate pre-sale contracts. We may suffer material and adverse effects on our reputation and access to future business opportunities in the long term. We are also unable to guarantee that any legal proceedings or renegotiations resulting from delays or failures to deliver will have a favorable outcome. See " — We may be involved in legal and other proceedings arising out of our operations from time to time" below.

We face risks related to the pre-sales of properties from any potential limitations or restrictions imposed by the PRC Government.

We make certain undertakings in our pre-sale contracts. These pre-sale contracts and the relevant PRC laws and regulations provide remedies for breach of these undertakings. For example, if we fail to complete a pre-sold property on time, we may be liable to the relevant purchasers for late delivery. If our delay extends beyond a specified period, the purchasers may terminate their pre-sale contracts and claim for damages. See "— We may fail to deliver our projects on time, on budget, or at all." In addition, purchasers may also refuse to accept the delivery or even terminate the pre-sale contracts if the GFA of the relevant unit, as set out in the individual property ownership certificate, deviates by more than 3% from the GFA of that unit set out in the pre-sale contract. We cannot assure you that we will not experience any breach of undertakings, such as delays in the completion and delivery of our properties, or that the GFA for a delivered unit will not deviate more than 3% from the GFA set out in the relevant pre-sale contract. Any of such factors could have a material adverse effect on our business, financial condition and results of operations.

Under the current PRC laws, property developers must fulfill certain conditions before they can commence pre-sales of the relevant properties and the use and deposit of pre-sales proceeds are also restricted. If we fail to deposit certain of the pre-sales proceeds into the designated custodial accounts in accordance with the relevant PRC laws and any relevant local requirements, we may be subject to certain disciplinary measures, including suspending the allocation of supervisory funds, suspending the qualification of commercial housing online contracting for the project and recording it in the credit files of real estate development enterprises. According to the Notice of the MOHURD on Further Strengthening the Supervision of the Real Estate Market to Improve the Pre-sale System of Commodity Housing (住房和城鄉建設部關於進一步加強房地產市場監管完善商品住房預售制度有關問題的通知), the pre-sale proceeds of commercial housing shall be included in the supervision account, and the supervisory authority shall be responsible for the supervision and control to ensure that the pre-sale funds are used for the construction of commercial housing projects; the pre-sale funds may be appropriated according to the construction progress, but sufficient funds must be retained to ensure the completion and delivery of the construction projects. In 2017, 2018 and 2019 and the four months ended April 30, 2020, 19, 36, 55 and 48 of our subsidiaries, respectively, did not fully or directly deposit the required amounts of pre-sale proceeds into the designated escrow accounts in accordance with relevant regulatory requirements for a total amount of RMB11,826.6 million, RMB21,637.6 million, RMB23,434.2 million and RMB3,675.9 million, respectively. As of December 31, 2017, 2018 and 2019 and April 30, 2020, three, three, five and five of our subsidiaries, respectively, utilized pre-sale proceeds beyond permitted scope of usage under the relevant local regulations and policies. The accumulated amount of pre-sale proceeds utilized beyond permitted scope of use as of December 31, 2017, 2018 and 2019 and April 30, 2020 amounted to RMB2,163.8 million, RMB3,006.4 million, RMB3,218.0 million and RMB2,727.6 million. As of December 31, 2017, 2018 and 2019 and April 30, 2020, three, six, one and nil of our subsidiaries, respectively, did not maintain sufficient cash balances in the designated escrow accounts above the required regulatory thresholds in compliance with the relevant local regulations and policies. The total amount of the shortfall of pre-sale proceeds of such subsidiaries as of December 31, 2017, 2018 and 2019 and April 30, 2020 amounted to RMB309.9 million, RMB631.6 million, RMB4.5 million and nil, respectively. See "Business — Our Property Development Management — Sales and Marketing — Pre-sales" for more details on our pre-sale activities and compliance with the relevant pre-sale laws and regulations during the Track Record Period. As of the Latest Practicable Date, we had not been subject to any significant penalty by the PRC governmental authorities in relation to the use and deposit of our pre-sales proceeds during the Track Record Period. If we fail to comply with the relevant regulations and requirements, we may face fines which could have a material adverse effect on our financial condition and results of operations.

On September 21, 2018, Guangdong Real Estate Association issued an "Emergency Notice on the Relevant Opinions on Providing the Pre-sale Permit for Commodity Houses" (《關於請提供商品房預售許可有關意見的緊急通知》), asking for opinions on the cancelation of the pre-sale system of commodity residential properties. We cannot guarantee that the PRC Government will not adopt this recommendation or impose additional restrictions on pre-sales going forward. Under current PRC laws and regulations, we are required to fulfill certain conditions prior to commencing pre-sales. Additionally, we are also only able to use our proceeds to finance construction of properties to which individual pre-sales relate. In the event that the PRC Government imposes bans or further restrictions on the conduct of pre-sales, we may be forced to seek alternative sources of funding to finance our property development projects. Alternative sources of funding may not be available to us on favorable terms or at all, which could have a material adverse effect on our financial condition and results of operations.

The actual realizable value of our properties may be substantially lower than their appraisal value and is subject to change.

The appraisal value of our properties as stated in Appendix III to this Prospectus was prepared by JLL based on multiple assumptions with subjective and uncertain elements. The assumptions, on which the appraised value of our properties and land reserves are based, include that we sell the property interests in the market without the benefit of a deferred term contract, leaseback, joint venture, management agreement or any similar arrangement, which could serve to affect the values of the property interests. In addition, no allowance has been made for any charges, mortgages or amounts owing either on any of the property interests valued or for any expenses or taxation which may be incurred in effecting a sale.

The appraisal value of our properties should not be taken as their actual realizable value or a forecast of their actual realizable value. The value of our properties may be affected by unforeseen occurrences stalling the progress of our property development projects as well as national and local economic conditions. The value of our properties may stagnate or decrease if the market for comparable properties in China experiences a downturn. See " — Our business and prospects are dependent on the economic conditions in the PRC and are susceptible to adverse movements in the PRC real estate market, particularly in provinces and cities where we have property development projects." In the event that any of the assumptions prove false, and therefore lower the actual realizable value of our properties, then our business, financial condition and results of operations may be materially and adversely affected.

We have indebtedness and may incur additional indebtedness in the future.

We maintained a substantial level of borrowings to finance our operations during the Track Record Period. As of December 31, 2017, 2018 and 2019 and April 30, 2020, our total borrowings, comprising interest-bearing bank loans and other borrowings, senior notes, corporate bonds and ABS, amounted to RMB34,026.9 million, RMB43,167.8 million, RMB49,071.1 million and RMB52,586.1 million, respectively. Our indebtedness and gearing level could have an adverse effect on us, for example, by (i) increasing our vulnerability to downturns of general economic or industry conditions; (ii) limiting our flexibility in planning for, or reacting to, changes in our business or the industry in which we operate; (iii) placing us at a competitive disadvantage compared to our competitors with lower levels of indebtedness; (iv) limiting our ability to borrow additional funds; and (v) increasing our cost of additional financing. In the future, we expect to incur additional indebtedness to complete our projects under development and projects held for future development and we may also utilize proceeds from additional debt financing to acquire land resources, which could intensify the risks we face as a result of our indebtedness.

Our ability to generate sufficient cash to satisfy our outstanding and future debt obligations will depend upon our future operating performance, which will be affected by prevailing economic conditions, PRC governmental regulation, the demand for properties in the regions we operate and other factors, many of which are beyond our control. We may not generate sufficient cash flow to pay our anticipated operating expenses and to service our debts, in which case we will be forced to adopt an alternative strategy that may include actions such as reducing or delaying capital expenditures, disposing of our assets, restructuring or refinancing our indebtedness or seeking equity capital. If we are unable to fulfill our repayment obligations under our borrowings, or are otherwise unable to comply with the restrictions and covenants in our current or future bank loans, corporate bonds, senior notes and other financing agreements, there could be a default under the terms of these agreements. In the event of a default under these agreements, the lenders may accelerate the repayment of outstanding debt or, with respect to secured borrowings, enforce the security interest securing the loans. Any cross-default and acceleration clause may also be triggered as a result. If any of these events occur, we cannot assure you that our assets and cash flow would be sufficient to repay all of our indebtedness, or that we would be able to obtain alternative financing on terms that are favorable or acceptable to us. As a result, our cash flow, financial condition and results of operations may be materially and adversely affected.

We had negative operating cash flow in 2017 and 2019 and the four months ended April 30, 2020.

Property development usually requires substantial capital investment during the construction period. During the Track Record Period, our liquidity requirements arose principally from the acquisition of land for, and development of, our property development projects. Our property development projects have been generally funded through cash generated from operations, including proceeds from the pre-sale of our properties, bank loans, trust financing and other financing arrangements. We expect to continue to fund our projects through these sources and will look for additional financing opportunities, such as debt offerings. However, we cannot assure you that such funds will be sufficient or that any additional financing can be obtained on satisfactory or commercially reasonable terms, or at all.

We had negative cash flow from operating activities of RMB7,756.2 million, RMB5,697.1 million and RMB2,355.1 million in 2017 and 2019 and the four months ended April 30, 2020, respectively. Our negative operating cash flow was principally attributable to the long-term and capital-intensive nature of property development, our land acquisitions and business expansion during the relevant periods. See "Financial Information — Liquidity and Capital Resources — Cash Flow Analysis." We cannot assure you that we will not experience negative cash flow from our operating activities in the future again. A negative operating cash flow could impair our ability to make necessary capital expenditures, constrain our operational flexibility and adversely affect our ability to expand our business and enhance our liquidity, should external financing be scarce. For example, if we do not generate sufficient net cash flow to fund our future liquidity, pay our trade and bills payables and repay the outstanding debt obligations when they become due, we may need to significantly increase external borrowings or secure other external financing. If adequate funds are not available from external borrowings, whether on satisfactory terms or at all, we may be forced to delay or abandon our development and expansion plans, and our business, prospects, financial condition and results of operations may be materially and adversely affected.

We are subject to certain restrictive covenants in and risks associated with our bank borrowings, senior notes, trust financing and other borrowings.

We are subject to certain restrictive covenants under the terms of our bank borrowings, senior notes, trust financing and other borrowings, which may restrict or otherwise adversely affect our operations. These covenants may restrict, among others, our ability to incur additional debt or provide guarantees, create encumbrances, pay dividends or make distributions on our or our subsidiaries' capital stock, prepay certain indebtedness, reduce our registered capital, sell, transfer, lease or otherwise dispose of property or assets, alter the nature or scope of business operations in material respect, make investments and engage in mergers, consolidation or other change-in-control transactions. In addition, some of our borrowings may have restrictive covenants linked to our financial performance, such as maintaining a prescribed maximum debt-asset ratio during the term of the loans. Moreover, many of our bank and other borrowings are secured by equity interests in the relevant project subsidiaries, land use rights of the relevant land parcels or other assets. From time to time, we may enter into trust financing arrangements, where a trust company may have veto right over some of our above-mentioned corporate actions, which may further limit our flexibility in operation and ability to raise additional funding. See "Financial Information — Indebtedness — Trust and Other Financing Agreements — Trust Financing." If we incur default and cannot repay all of such indebtedness, we may lose part or all of our equity interests in these project subsidiaries, our proportionate share of the asset value of the relevant property projects, land use rights or our development projects. See "Financial Information — Indebtedness." The occurrence of any of the above events may materially and adversely affect our business, financial condition and results of operations.

We guarantee the mortgage loans provided by financial institutions to our customers and, consequently, we will be liable to the mortgagees if our customers default on their mortgage payments.

Our customers may apply for mortgage loans to purchase our properties. As consistent with market practice, we guarantee these mortgages for a period until the purchasers of our properties obtain the relevant "strata-title building ownership certificate (分戶產權證)" and "mortgage registration certificate (抵押登記證書)" registered in favor of the bank. These are contingent liabilities not reflected on our balance sheets. In the event that a customer defaults on the mortgage payment, the mortgage bank may deduct the payment due from the deposited sum and demand our immediate payment of the outstanding balance. Once we have satisfied our obligations under the guarantee, the bank would then assign its rights under the mortgage to us and we would have full recourse to the property.

As we generally rely on credit assessments conducted by banks on our customers in making our guarantees, we cannot assure you that such assessments are sufficient. There can also be no assurance that we will be able to estimate and make appropriate provision for defaults. Furthermore, any significant decline of the economic condition of the PRC or local markets in which we operate may lead to lowered income of our customers and, subsequently, an increased risk of default on loans. As of April 30, 2020, our outstanding guarantees in respect of the mortgages of our customers amounted to RMB30,371.1 million. In the event that significant amounts of guarantee payment obligations arise at a time, our business, financial condition and results of operations may be materially and adversely affected, especially if the market value of our properties depreciates substantially or the prevailing conditions prevent us from reselling our properties on favorable terms.

We may be subject to fines or forfeit land to the PRC Government if we fail to pay land grant premiums or fail to develop properties within the time and in accordance with the terms set out in the relevant land grant contracts.

Under PRC laws, if we fail to develop a property project according to the terms of the land grant contract, including those relating to the designated use of the land and the time for commencement and completion of the property development, government authorities may issue a warning, impose a penalty and/or order us to forfeit the land. Specifically, under current PRC laws, if we fail to pay any outstanding land grant premium by the stipulated deadlines, we may be subject to late payment penalties or the repossession of the land by the PRC Government. If we fail to commence development after one year of the commencement date stipulated in the land grant contract, the relevant PRC land bureau may issue a warning to us and impose an idle land penalty equivalent to or less than 20% of the land premium. If we fail to commence development within two years from the commencement date stipulated in the land grant contract, the relevant PRC land bureau may confiscate our land use rights without compensation, except where the delay in the development is attributable to a force majeure event or the action of the relevant government department or delay in the requisite preliminary work preceding commencement of such development. Moreover, had a property developer commenced development of the property in accordance with the timeframe stipulated in the land grant contract, however, if such development was suspended for more than one year without government approval and falls under either of the following two situations: (i) the developed land area is less than one-third of the total land area, or (ii) the total invested capital is less than one-fourth of the total planned investment in the project, then the land may be treated as idle land and will be subject to the risk of forfeiture. During the Track Record Period and up to the Latest Practicable Date, we incurred delays in commencement and/or completion of construction for an aggregate of 22 projects. In 2017, 2018 and 2019 and the four months ended April 30, 2020 and since April 30, 2020 and up to the Latest Practicable Date, we incurred delays in commencement of construction for seven, one, two, nil and one of our project companies, respectively. As of the Latest Practicable Date, two of these projects has not yet commenced construction. During the same period, we incurred delays in completion of construction for 13, 2, nil, nil and 2 of our project companies, respectively. As of the Latest Practicable Date, 13 of these projects have not yet completed construction. We incurred delays in these projects mainly because of (i) adjustments of city planning, change of land use nature or other administrative procedures out of our control; (ii) for residential projects, adjustments of construction schedules to optimize the construction plans; and (iii) for commercial projects, adjustments of construction schedules taking into consideration the market condition. See “Business — Our Property Development Management — Project Construction and Quality Control” for further details.

In September 2007, the Ministry of Land and Resources issued a new notice to further enhance control of the land supply by requiring developers to develop land according to the terms of the land grant contracts and restricting or prohibiting any non-compliant developers from participating in future land auctions. In January 2008, the State Council issued a Notice of the State Council on Promoting Land Saving and Efficient Use (國務院關於促進節約集約用地的通知) to escalate the enforcement of existing rules on idle land management. Furthermore, the Ministry of Land and Resources issued a Notice on Restricting the Administration of Construction Land and Promoting the Use of Approved Land (關於嚴格建設用地管理促進批而未用土地利用的通知) in August 2009, which reiterated the applicable rules with regard to idle land management. On June 1, 2012, the Ministry of Land and Resources promulgated the revised Measures on the Disposal of Idle Land (閒置土地處置辦法), which went into effect on July 1, 2012. These further measures may prevent competent land authorities from accepting any application for new land use rights or processing any title transfer transaction, lease transaction, mortgage transaction or land registration application with respect to idle land prior to the completion of the required rectification procedures.

We cannot assure you that circumstances leading to the repossession of land or delays in the completion of a property development will not arise in the future. If our land is repossessed, we will not be able to continue our property development on the forfeited land, recover the costs incurred for the initial acquisition of the repossessed land or recover development costs and other costs incurred up to the date of the repossession. In addition, we cannot assure you that regulations relating to idle land or other aspects of land use rights grant contracts will not become more restrictive or punitive in the future. If we fail to comply with the terms of any land use rights grant contract as a result of delays in project development, or as a result of other factors, we may lose the opportunity to develop the project as well as our past investments in the land, which could materially and adversely affect our business, financial condition and results of operations.

We are susceptible to the effects that interest rate hikes may have on our customers’ mortgage rates and our financing costs.

Changes in interest rates generally affect our customers’ mortgage rates and our financing costs. Subsequent to the financial crisis, the PBOC had adjusted the benchmark one-year bank lending rate several times since 2008. The PBOC lowered its benchmark one-year loan prime rate, or the LPR, from 4.31% in January 2019 to 4.05% in March 2020. The PBOC may adjust benchmark interest rates upward. Any hike in benchmark interest rates is likely to increase our customers’ mortgage rates and our financing costs. Increases in mortgage rates may negatively affect growth in the real estate market, while increases in our financing costs may materially and adversely affect our results of operations.

Our results of operations have been affected, and will continue to be affected, by the performance of our joint ventures and associates. We may not be able to realize the anticipated economic and other benefits from our joint ventures and associates.

We have formed joint ventures and established associates with other property developers to develop property projects and may continue to do so in the future. As of July 31, 2020, we had 19 projects developed by our joint ventures and 24 projects developed by our associates. The performance of such joint ventures and associates has affected, and will continue to affect, our results of operations and financial position. Generally, we do not expect to record gains from such joint ventures and associates until they start to generate revenue by delivering properties they develop. Our share of profits of joint ventures in 2017 and 2019 and the four months ended April 30, 2020 was RMB426.7 million, RMB510.2 million and RMB71.4 million, respectively, and our share of losses of joint ventures in 2018 was RMB24.1 million. Our share of profits of associates in 2017 was RMB54.3 million, and our share of losses of associates in 2018 and 2019 and the four months ended April 30, 2020 was RMB65.7 million, RMB68.8 million and RMB19.3 million, respectively.

The success of a joint venture or an associate depends on a number of factors, some of which are beyond our control. As a result, we may not be able to realize the anticipated economic and other benefits from our joint ventures and associates. In addition, in accordance with PRC law, the agreements and the articles of association of our joint ventures and associates, certain matters relating to joint ventures and associates require the consent of all parties to the joint ventures and associates. Joint ventures and associates may involve risks associated with the possibility that our business partners may:

- have economic or business interests or goals inconsistent with ours;
- take actions contrary to our instructions, our requests or our policies or objectives;
- be unable or unwilling to fulfill their obligations under the relevant agreements and the articles of association of our joint ventures and associates;
- have financial difficulties; or
- have disputes with us as to the scope of their responsibilities and obligations.

In addition, since we do not have full control over the business and operations of our joint ventures and associates, we cannot assure that they have been, or will be in strict compliance with all applicable PRC laws and regulations. We cannot assure you that we will not encounter problems with respect to our joint ventures and associates or our joint ventures and associates will not violate applicable PRC laws and regulations, which may have an adverse effect on our business, results of operations and financial condition.

Our investments in joint ventures and associates are subject to liquidity risk.

Our investments in joint ventures and associates are subject to liquidity risk. Our investments in joint ventures and associates are not as liquid as other investments as there is no cash flow until such joint ventures and associates generate revenue from pre-sales or obtain financing arrangements. Furthermore, our ability to promptly sell our interests in the joint ventures or associates in response to changing economic, financial and investment conditions is limited. The market is affected by various factors, such as general economic conditions, availability of financing, interest rates and supply and demand, many of which are beyond our control. We cannot predict whether we will be able to sell any of our interests in the joint ventures or associates for the price or on the terms set by us, or whether any price or other terms offered by a prospective purchaser would be acceptable to us. We also cannot predict the length of time needed to find a purchaser and to complete the relevant transaction. Therefore, the illiquidity nature of our investments in joint ventures or associates may significantly limit our ability to respond to adverse changes in the performance of our joint ventures and associates.

Our operations are dependent on a limited number of major suppliers.

Our suppliers are mainly construction contractors and equipment suppliers. During the Track Record Period, we were dependent on a limited number of major suppliers to operate our businesses. In 2017, 2018 and 2019 and the four months ended April 30, 2020, purchases from our five largest suppliers accounted for approximately 47.8%, 52.3%, 62.7% and 63.4% of our total purchases, respectively. Purchases from our single largest supplier in 2017, 2018 and 2019 and the four months ended April 30, 2020 accounted for approximately 18.5%, 20.8%, 25.9% and 22.5% of our total purchases, respectively. See "Business — Suppliers and Customers — Suppliers." If our current major suppliers decide to terminate business relationships with us or if the services, equipment or materials supplied by our current suppliers fail to meet our standards, or if our current services, equipment or raw material supplies are interrupted for any reason, we may not be able to easily switch to other qualified suppliers in a timely fashion or at all. In such events, our business, financial condition and results of operations may be materially and adversely affected.

We rely on third-party contractors during the construction and development stages of our property development projects, and these contractors may not perform in accordance with our expectations.

We engage third-party contractors to carry out various services relating to our property development projects. We may select third-party contractors through a tender process or a direct engagement, and we endeavor to engage companies with a strong reputation and track record, high performance reliability and adequate financial resources. Our third-party contractors may fail to provide satisfactory services at the level of quality or within the time required by us. In addition, completion of our property developments may be delayed, and we may incur additional costs, due to the financial or other difficulties of our contractors. If the performance of any third-party contractor is unsatisfactory, we may need to replace such contractor or take other remedial actions, which could increase the costs and adversely affect the development schedules of our projects and materially and adversely affect our reputation, credibility, financial condition and business operations. Moreover, we cannot assure you that our employees will be able to consistently apply our quality standards in carrying out quality control, or be able to detect all defects in the services rendered by third-party service providers or contractors. In addition, as we enter into new geographical areas in the PRC, there may be a shortage of third-party contractors that meet our quality standards and other requirements in such locations and, as a result, we may not be able to engage a sufficient number of high-quality third-party contractors, which may adversely affect the construction schedules and development costs of our property development projects. Furthermore, if our relationship with any of the third-party service providers or contractors deteriorates, a serious dispute with such third-party service provider or contractor may arise, which may in turn result in costly legal proceedings. The occurrence of any of the above events may have a material adverse effect on our business, financial condition, results of operations and prospects.

Fluctuations in the price of construction materials and our construction contractors' labor costs could affect our business and financial performance.

The cost of construction materials such as steel and cement, as well as contractors' labor costs, are subject to a high degree of volatility. The risk of fluctuations in construction material and labor costs during the terms of the contracts are absorbed by our construction contractors to a large extent, as they are responsible for purchasing most of the construction materials and bear relevant labor costs during the terms of the relevant contracts pursuant to the relevant contracts. However, our contracts with construction companies contain price adjustment mechanisms, under which contract prices will adjust accordingly if market prices of related materials fluctuate beyond a pre-determined range. In addition, if there is any significant increase in the cost of construction materials and labor costs, our construction contractors may require us to renegotiate construction fees or we may be subject to higher construction fees when our existing construction contracts expire. Furthermore, we typically pre-sell our properties prior to their completion and we will not be able to pass the increased costs on to our customers if the costs of construction materials and labor increase subsequent to the pre-sales. If any of these occur, our business, financial condition and results of operations may be adversely affected. Any increase in the cost of construction materials may result in additional costs to us and may lead to future increases in construction contract costs. Construction material costs experienced periods of fluctuation during the Track Record Period. Any increase in the cost of any significant construction materials will adversely affect our overall construction costs, which is generally one of the largest components of our cost of sales. If we cannot pass any or all of the increased costs on to our customers, our profitability will be adversely affected.

The illiquidity of investment properties and the lack of alternative uses of investment properties may significantly limit our ability to respond to adverse changes in the performance of our investment properties.

Because property investments in general are relatively illiquid, our ability to promptly sell one or more of our investment properties in response to changing economic, financial and investment conditions is limited. The property market is affected by various factors, such as general economic conditions, availability of financing, interest rates and supply and demand, many of which are beyond our control. We cannot predict whether we will be able to sell any of our investment properties for the price or on the terms set by us, or whether any price or other terms offered by a prospective purchaser would be acceptable to us. We also cannot predict the length of time needed to find a purchaser and to complete the sales of a property. Moreover, we may also need to incur capital expenditure to manage and maintain our properties or to correct defects or make improvements to these properties before selling them. We cannot assure you that financing for such expenditures would be available when needed, or at all. In addition, if we sell an investment property during the term of that property's tenancy agreement, we may have to pay termination fees to our retail tenants.

Furthermore, the aging of investment properties, changes in economic and financial condition or changes in the competitive landscape in the PRC property market may adversely affect the number of rentals and amount of revenue we generate from, as well as the fair value of, our investment properties. However, investment properties may not be readily converted to alternative uses, as such conversion requires extensive governmental approvals in the PRC and involves substantial capital expenditures for the purpose of renovation, reconfiguration and refurbishment. We cannot assure you that we will possess the necessary approvals and sufficient funds to carry out the required conversion. These factors and any others that would impede our ability to respond to adverse changes in the performance of our investment properties could affect our ability to compete against our competitors and our results of operations.

The fair value of our investment properties is likely to fluctuate from time to time and such fluctuations make it difficult to predict our future performance.

We are required to reassess the fair value of our investment properties at the end of each reporting period. Under IFRSs, gains or losses arising from changes in the fair value of our investment properties are included in our consolidated statements of comprehensive income for the period in which they arise. Our investment properties were valued by JLL, an independent property valuer, as of December 31, 2017, 2018 and 2019 and April 30, 2020, on an open market and existing use basis, which reflected market conditions on the respective dates. Based on such valuation, we recognized the aggregate fair value of our investment properties and relevant deferred tax on our consolidated statements of financial position and increases in fair value of investment properties and movements of the relevant deferred tax on our consolidated statement of comprehensive income. In 2017, 2018 and 2019 and the four months ended April 30, 2020, our fair value gains on investment properties were RMB317.8 million, RMB616.5 million, RMB480.9 million and RMB101.1 million, respectively.

Fair value gains would not change our cash position as long as the relevant investment properties are held by us and thus would not increase our liquidity in spite of the increase in profit. The amount of revaluation adjustments has been, and will continue to be, subject to market fluctuations. As a result, we cannot assure you that changes in the market conditions will continue to create fair value gains on our investment properties or that the fair value of our investment properties will not decrease in the future. Such investment properties are measured at fair value with material unobservable inputs used in the valuation techniques. Accordingly, the valuation techniques adopted by the valuer involve uncertainties relating to the use of unobservable inputs. In addition, the fair value of our investment properties may materially differ from the amounts we would receive in actual sales of the investment properties. Any significant decreases in the fair value of our investment properties or any significant decreases in the amount we receive in actual sales of the investment properties as compared with the recorded fair value of such properties would materially and adversely affect our results of operations.

We may not be able to continue to attract and retain quality tenants for our investment properties.

Historically, we derived a small portion of revenue from property leasing. As we seek to selectively increase our portfolio of investment properties by adding investment properties with appreciation potential, revenue from property leasing may become an increasingly important contributor to our revenue in the future. However, we are subject to risks incidental to the ownership and leasing of investment properties, including volatility in market rental rates and occupancy levels, competition for tenants, costs resulting from ongoing maintenance and repair and inability to collect rent from tenants or renew leases with tenants due to bankruptcy, insolvency, financial difficulties or other reasons. We may not be able to identify new tenants or retain existing tenants for our commercial properties. In addition, an increase in the number of competing properties, particularly in close proximity to our properties, could increase competition for tenants and force us to reduce rent or incur additional costs in order to market our properties. If there is a significant downturn in the commercial property markets or in the cities where we have investment properties, we may not be able to maintain our current levels of revenue from the investment in and operations of commercial properties. Our inability to expand our portfolio of investment properties, to secure suitable tenants or otherwise to enhance the profitability of our investment properties or to maintain our current levels of rental income may have an adverse effect on our profitability and results of operations. All these factors could negatively affect the demand for our investment properties, and, as a result, reduce our rental income, which may have an adverse effect on our business, financial condition and results of operations.

Our results of operations, financial condition and prospects may be adversely affected by fair value changes in our financial assets at fair value through profit or loss.

Our financial assets at fair value through profit or loss were primarily wealth management products issued by financial institutions in the PRC. During the Track Record Period, we purchased certain wealth management products with low risk for the purposes of achieving reasonably higher return on our excess cash than regular bank deposits in the short term. As of December 31, 2017, 2018 and 2019 and April 30, 2020, financial assets at fair value through profit or loss was RMB134.8 million, RMB1,325.7 million, RMB315.7 million and RMB315.9 million, respectively. We recorded fair value gains from financial assets at fair value through profit or loss of RMB0.3 million, RMB3.1 million and RMB0.2 million in 2017 and 2018 and the four months ended April 30, 2020, respectively. We recorded fair value losses from financial assets at fair value through profit or loss of RMB0.3 million in 2019. See "Financial Information — Description of Certain Consolidated Statements of Profit or Loss Items — Fair Value Gains or Losses from Financial Assets at Fair Value through Profit or Loss." We may continue to incur fair value losses in the future. If we incur such fair value losses, our results of operations, financial condition and prospects may be adversely affected.

We incur contract liabilities from the pre-sales of properties and may not be able to settle such contract liabilities if we cannot complete and deliver the relevant projects.

Consistent with industry practice, we typically enter into pre-sales contracts with customers while the properties are still under development but after satisfying the conditions for pre-sales in accordance with PRC laws and regulations. Such conditions for pre-sales generally include (i) the land premium for the relevant property project has been paid in full and the relevant land use rights certificate has been obtained; (ii) the relevant construction work planning permit and construction work commencement permit have been obtained; and (iii) the amount of funds used for construction accounts for at least 25% of the total investment of the property project, and the construction progress and the delivery date of properties have been determined. Then the property developer shall apply for a pre-sale permit by submitting supporting documents indicating the fulfilment of the above-mentioned requirements, and commence pre-sales upon receipt of the pre-sale permit. In general, there is a time difference between the time we commence the pre-sales of properties under development and the completion of the construction of such properties. We do not recognize any revenue from the pre-sales of the properties until such properties are completed and delivered to the customers. Proceeds from customers of pre-sold properties are recorded as "contract liabilities" under current liabilities before relevant revenue is recognized. Our contract liabilities amounted to RMB24,602.2 million, RMB41,935.0 million, RMB56,685.1 million and RMB62,074.7 million as of December 31, 2017, 2018 and 2019 and April 30, 2020, respectively. If we cannot complete and deliver our projects, we will not be able to recognize revenue and therefore cannot settle our contract liabilities. However, the completion and delivery of projects may be delayed due to various reasons, such as delays in obtaining requisite licenses, permits or approvals from relevant government authorities, increases in the prices of raw materials and labor costs, unavailability and increased cost of financing. If we encounter delays in the completion and delivery of our projects, or even cannot complete and deliver our projects, we may not settle our contract liabilities and our business, prospects and financial condition may be materially and adversely affected.

We may be subject to fines due to the lack of registration of our leases.

Pursuant to relevant PRC regulations, parties to a lease agreement are required to file the lease agreements for registration and obtain property leasing filing certificates for their leases. As of the Latest Practicable Date, we leased 30 properties from third-party landlords mainly for our office premises and failed to register 15 lease agreements under which we are tenant. The failure to register the lease agreements does not affect the validity of the lease agreements under the relevant PRC laws and regulations, or our rights or entitlements to lease out the investment properties to tenants. However, we may be required by relevant government authorities to file the lease agreements to complete the registration formalities and may be subject to a fine for non-registration within the prescribed time limit, which may range from RMB1,000 to RMB10,000 per lease agreement. Our PRC Legal Advisors advised us that the maximum penalty would be RMB10,000 for each unregistered lease agreement. The imposition of the above fines could require us to make additional efforts and/or incur additional expenses, any of which could adversely affect our business, financial condition and results of operations. The registration of these lease agreements to which we are a party requires additional steps to be taken by the respective other parties to the lease agreement which are beyond our control. We cannot assure you that the other parties to our lease agreements will be cooperative or that we can complete the registration of these lease agreements and any other lease agreements that we may enter into in the future. See "Business — Leased Properties."

We may be subject to fines or penalties if we fail to comply with any applicable laws, rules or regulations.

We are subject to a variety of laws, rules and regulations with respect to various aspects of our operations. We may be subject to fines or penalties if we fail to comply with applicable laws, rules and regulations. For example, in 2017, our subsidiary Xi'an Qujiang Yuanshan failed to complete the filing with the relevant government authority with respect to the requisite tender procedure for general contractor selection and was fined RMB100,000 by a local authority. See "Business — Our Property Development Management — Contractors and Procurement — Appointment of Construction Contractors." In addition, during the Track Record Period, three of our project companies were penalized for failing to pay the EIT and individual withholding tax or stamp tax in full amount or make the tax filing in a timely manner; seven of our project companies were penalized for failing to conduct construction pursuant to the approved construction drawings or plans; and one of our project companies was penalized for commencing construction before obtaining approval for fire safety design. We also experienced several other non-compliance incidents during the Track Record Period. See "Business — Legal Proceedings and Compliance — Compliance with Laws and Regulations." We were subject to penalties or ordered to rectify such non-compliances, as the case may be. As of the Latest Practicable Date, we had paid all the penalties. There is no assurance that our internal control measures adopted to prevent the occurrence of any non-compliance incidents in the future will be effective or that will be no non-compliance incidents in the future. In addition, PRC laws, rules or regulations governing our industry have been evolving rapidly, and we cannot assure you that we will not be subject to fines or penalties arising from non-compliance incidents if we fail to adapt to the new regulatory regime in a timely manner, or at all, which may have a material adverse effect on our business, financial condition and results of operations.

We are subject to housing price control measures, which may restrict the selling prices of the properties developed by us and lead to lower profit margins for the respective projects.

We are subject to housing price control measures that may be promulgated and implemented by government authorities from time to time. For example, in February 26, 2013, the General Office of the State Council announced the Notice on Further Regulation of the Real Estate Market (《國務院辦公廳關於繼續做好房地產市場調控工作的通知》). According to such notice, local governments shall increase the supply of housing properties and lands, and set price control targets in cities with rapidly increasing property prices. In addition, the notice also requires the local governments to strictly implement existing purchase restrictions and differentiated credit policies with regard to the down payment ratios and interest rates for mortgage loans where a purchaser has more than one mortgage loan for properties. The tax, building and construction authorities are required to coordinate to ensure that the 20% individual income tax on the difference between the sales proceeds and the original purchase price for the sales of second-hand properties is strictly implemented. These policies aim to restrain the rapid increase in housing prices. During recent years, policies aiming at promoting affordable housing and discouraging speculative investments in residential properties were announced in a number of cities in China, such as Shanghai, Hangzhou, Xi'an, Fuzhou and Chongqing. See "Regulatory Overview — Measures on Home Purchase Restrictions and Stabilizing Housing Prices — (ii) Local Level Laws and Regulations in Relation to The Housing Price Control Measures."

Such price control measures may restrict the selling prices of the properties developed by us, leading to lower profits and profit margins for the respective projects. As such price control measures may be implemented after we acquire the land parcels and before the commencement of pre-sales, we may have incurred relatively high land acquisition costs and construction costs, but are unable to sell these properties at favorable prices due to the price control measures. For example, our forecast gross profit margin for 2020 is expected to be relatively lower than that for the four months ended April 30, 2020, primarily because we expect to deliver properties of a large-scale property project, namely Hangzhou Jiushang Elite's Mansion (杭州久尚雲築), which is expected to derive relatively lower profit margins in the rest of 2020. Hangzhou Jiushang Elite's Mansion is expected to have a lower profit margin because of its higher land acquisition costs and the local government's price control measures. See "Summary — Recent Development and No Material Adverse Change — Business Highlights." As a result, we may not be able to realize the profits as we expected and our results of operations, financial condition and prospectus may be adversely affected.

We made provision of impairment for properties under development and completed properties held for sale.

The real estate market volatility may subject us to risks in connection with possible provision of impairment for properties under development and completed properties held for sale, if we fail to complete the construction or sell the properties in time at our desired prices. Provision of impairment may arise when the carrying value of a property exceeds its recoverable amount in the market. In 2017, 2018 and 2019 and the four months ended April 30, 2020, we recorded impairment losses for properties under development in an amount of RMB138.1 million, RMB289.7 million, RMB183.9 million and nil, respectively, and we recorded impairment losses for properties held for sale in an amount of RMB6.6 million, RMB19.0 million, RMB265.3 million and nil, respectively. Certain of such impairment losses was made because the relevant local governments imposed housing price control measures, which caused relatively lower selling prices of our properties. We cannot assure you that we will not make any provision of impairment in the future or incur any impairment losses, if any or at similar level, during adverse market conditions in the future or as a result of relevant local government's housing price control measures. If we make additional provision of impairment and incur such impairment losses, our results of operations, financial condition and prospects may be adversely affected.

There are uncertainties about the recoverability of our deferred tax assets, which could adversely affect our results of operations.

We recorded deferred tax assets of RMB1,210.7 million, RMB2,268.3 million, RMB2,874.0 million and RMB3,125.3 million, respectively, as of December 31, 2017, 2018 and 2019 and April 30, 2020. We periodically assess the probability of the realization of deferred tax assets, using significant judgments and estimates with respect to historical operating results, expectations of future earnings and tax planning strategies. In particular, deferred tax assets can only be recognized to the extent that it is probable that future taxable profits will be available against which the unused tax credits can be utilized. However, there is no assurance that our expectation of future earnings will be accurate due to factors beyond our control, such as general economic conditions and negative development of the regulatory environment, in which case, we may not be able to recover our deferred tax assets, which thereby could have an adverse effect on our results of operations.

There are uncertainties about the recoverability of our amounts due from related parties and amounts due from non-controlling shareholders of the subsidiaries.

We had amounts due from related parties of RMB7,569.1 million, RMB6,892.7 million, RMB7,815.1 million and RMB8,260.5 million as of December 31, 2017, 2018 and 2019 and April 30, 2020, respectively. We also had amounts due from non-controlling shareholders of the subsidiaries of nil, RMB1,224.3 million, RMB1,926.0 million and RMB2,023.2 million as of the same dates, respectively. Amounts due from related parties primarily represent cash advances to joint ventures and associates for the development of the relevant projects which are unsecured and will be settled upon completion of the relevant projects. Amounts due from non-controlling shareholders of the subsidiaries are mainly cash advances made from our non-wholly owned subsidiaries to non-controlling shareholders from time to time before the final settlement and completion of our projects developed by such non-wholly owned subsidiaries. See "Financial Information — Related Party Transactions — Balances with Related Parties" and "Financial Information — Description of Certain Consolidated Statements of Financial Position Items — Prepayments and Other Receivables." We conduct assessments on the recoverability of amounts due from related parties and non-controlling shareholders of the subsidiaries based on, among others, our historical settlement records, past experiences, payment terms, current economic trends and to a certain extent, the larger economic and regulatory environment in which our related parties or the non-controlling shareholders of the subsidiaries operate, which involve the use of various judgments, assumptions and estimates by our management. However, there is no assurance that our expectations or estimates will be entirely accurate for the future, as we are not in control of all the underlying factors affecting the amounts due from related parties or amounts due from non-controlling shareholders of the subsidiaries. Accordingly, there are uncertainties about the recoverability of our amounts due from related parties and amounts due from non-controlling shareholders of the subsidiaries. Therefore, if we are not able to recover the amounts due from related parties and amounts due from non-controlling shareholders of the subsidiaries, our financial position and results of operations may be adversely affected.

There are uncertainties about the recoverability of our prepayments for acquisition of land use rights, prepaid taxes and other tax recoverables and prepayments for equity investments.

There are uncertainties about the recoverability of our prepayments for acquisition of land use rights, prepaid taxes and other tax recoverables and prepayments for equity investments. Prepayments for acquisition of land use rights represent the land premium deposits we paid for land parcels acquired through public tenders, auctions and listing-for-sale. We recorded such land premium deposits as prepayments before we obtained land use right certificates for the respective land parcels. We had prepayments for acquisition of land use rights of RMB2,882.1 million, RMB765.2 million, RMB5,593.9 million and RMB2,673.4 million as of December 31, 2017, 2018 and 2019 and April 30, 2020, respectively. Prepaid taxes and other tax recoverables primarily represent prepaid turnover tax and other surcharges. We had prepaid taxes and other tax recoverables of RMB946.1 million, RMB1,732.3 million, RMB2,690.2 million and RMB2,905.6 million as of December 31, 2017, 2018 and 2019 and April 30, 2020, respectively. See "Financial Information — Descriptions of Certain Consolidated Statements of Financial Position Items — Prepayments and Other Receivables." Prepayments for equity investments represent the prepayments in relation to our acquisitions of equity in third parties to expand our business or acquire land parcels. We had prepayments for equity investments of RMB1,712.6 million, RMB2,616.2 million, RMB1,402.6 million and RMB1,402.6 million as of December 31, 2017, 2018 and 2019 and April 30, 2020, respectively. See "Financial Information — Descriptions of Certain Consolidated Statements of Financial Position Items — Other Non-current Assets.” We may not complete such equity acquisitions if the counterparties breach the equity acquisition agreements or we have other disputes with the counterparties. For such disputes with the counterparties, see “Business — Legal Proceedings and Compliance — Land Acquisitions and Related Disputes.” There is no guarantee that we will be able to proceed with our planned acquisitions, or that we would be able to recoup the prepayments under relevant equity acquisition agreements.

We conduct assessments on the recoverability of prepayments for acquisition of land use rights, prepaid taxes and prepayments for equity investments based on, among others, our historical settlement records, our relationship with relevant counterparties, payment terms, current economic trends and to a certain extent, the larger economic and regulatory environment, which involve the use of various judgments, assumptions and estimates by our management. However, there is no assurance that our expectations or estimates will be entirely accurate for the future, as we are not in control of all the underlying factors affecting such prepayments. Accordingly, there are uncertainties about the recoverability of our prepayments for acquisition of land use rights, prepaid taxes and other tax recoverables and prepayments for equity investments. Therefore, if we are not able to recover the prepayments for acquisition of land use rights, prepaid taxes and other tax recoverables and prepayments for equity investments, our financial position and results of operations may be adversely affected.

Gain on bargain purchase, gain on disposal of subsidiaries and joint ventures are non-recurring in nature. Accordingly, we may not record such gain or recognize such income in the future.

We recorded gain on bargain purchases of approximately RMB40.4 million in 2018 in connection with our acquisition of two subsidiaries in 2018. We also recorded a one-off gain on disposal of subsidiaries of approximately RMB4.2 million and RMB97.6 million in 2018 and 2019, respectively. See “Financial Information — Description of Certain Consolidated Statements of Profit or Loss Items — Other Income and Gains” and Note 5 to the Accountants’ Report as Appendix I to this Prospectus. While such gain or income had an impact on our reported profit for the relevant year, they were non-recurring in nature. Therefore, we may not record such gain or income in the future, which may in turn adversely affect our profitability.

The LAT calculated by the relevant PRC tax authorities may be different from our calculation of LAT liabilities for provision purposes.

Pursuant to PRC regulations on LAT, both domestic and foreign investors in real estate development in the PRC are subject to LAT on income from the sale or transfer of land use rights, properties and their attached facilities, at progressive rates ranging from 30% to 60% on the appreciation of land value. In 2017, 2018 and 2019 and the four months ended April 30, 2020, we recorded LAT expenses of RMB690.9 million, RMB726.7 million, RMB1,107.1 million and RMB78.1 million, respectively, in our consolidated statements of income. In accordance with a circular issued by the SAT, which became effective on February 1, 2007, LAT obligations are required to be settled with the relevant tax bureaus within a specified time after the completion of a property development project. We make provision for the estimated full amount of applicable LAT in accordance with relevant PRC tax laws and regulations. Our estimates are based on our own apportionment of deductible expenses, which is subject to final confirmation by the relevant tax authorities upon settlement of the LAT.

As of the Latest Practicable Date, we had made all prepayments and/or full provisions for LAT in compliance with the relevant LAT laws and regulations in China as interpreted and enforced by the relevant local tax authorities. LAT liabilities are subject to determination by the tax authorities upon the completion of the property development projects and may be different from the amounts that were initially provided for. Any such differences may impact our profit after tax and deferred tax provision in the periods in which such taxes are finalized with the relevant tax authorities. Our financial condition may be adversely and materially affected if our LAT liabilities as calculated by the relevant tax authorities are higher than our provisions. In addition, as we continue to expand our property developments, we cannot assure you that our provision for LAT obligations based on our estimates in new markets will be sufficient to cover our actual LAT obligations in future. As there are uncertainties as to when the tax authorities will enforce the LAT collection and whether it will apply the LAT collection retrospectively to properties sold before the enforcement, any payment as a result of the enforcement of LAT collection may significantly restrict our cash flow position, our ability to finance our land acquisitions and our ability to execute our business plans.

Potential liability for health and environmental problems could result in costs.

We are subject to a variety of laws and regulations concerning the protection of health and the environment. As required by PRC laws and regulations, property projects in environmentally sensitive regions and with self-built sewage treatment facilities are required to undergo environmental assessments and the related assessment document must be submitted to the relevant government authorities for approval before commencement of construction. For other property projects, we are required to file the environmental impact registration form for record. If we fail to meet such requirements, local authorities may issue orders to stop construction and, based on the circumstances of the violation and the consequences thereof, impose on us a fine of between 1-5% of the total investment amount of the project, and may also issue orders to restore the original conditions before the construction, and the persons directly in charge and other directly responsible persons of us shall be subject to administrative sanctions under the law. After the completion of construction, we are required to make an acceptance check of the environmental protection facilities and prepare an acceptance report according to the standards and procedures stipulated by the competent administrative department of environmental protection under the State Council. When making an acceptance check of environmental protection facilities, we are required not to commit fraud. We are also required to make the acceptance report publicly available in accordance with the law unless we are required to keep confidential according to national provisions. If we cannot make an acceptance check of environmental protection facilities in due course, the development of our projects may be delayed. As environmental awareness grows in China, we anticipate that the PRC Government will continue to promulgate increasingly stringent environmental laws and regulations. We anticipate that these developments will increase our project development costs in general.

We may fail to obtain or experience delays in obtaining the relevant PRC governmental approvals for our property development projects.

We are required to obtain various permits, licenses and certificates throughout multiple stages of our property development projects, including but not limited to land use right certificates, construction land planning permits, construction work planning permits, construction work commencement permits and pre-sale permits for commodity properties. In addition, entities engaging in real estate development are required to obtain a qualification certificate for real estate development enterprises. Those who engage in real estate development without obtaining a qualification certificate will be ordered to cease development activities. Generally, these permits and qualification certificates are only issued or renewed after certain conditions have been satisfied. We cannot assure you that we will not encounter obstacles toward fulfilling such conditions that delay us in obtaining, or result in our failure to obtain, the required approvals. Moreover, as the real estate industry is closely monitored by the PRC Government, we anticipate that new policies will be promulgated from time to time in relation to the conditions for issuance or renewal. We cannot guarantee that such new policies will not present unexpected obstacles toward our ability to obtain or renew the required permits, licenses and certificates or that we will be able to overcome these obstacles in a timely manner, or at all.

We may be involved in legal and other proceedings arising out of our operations from time to time.

We may be involved in claims, legal proceedings and other disputes with various parties involved in the development and sales of our properties, including contractors, suppliers, regulatory bodies, customers and business partners. These disputes may lead to protests or legal or other proceedings and may result in damage to our reputation, substantial costs and diversion of resources and management's attention from our core business activities. Purchasers of our properties may take legal action against us if our developed properties are perceived to be inconsistent with our representations and warranties made to such purchasers. In addition, we may have compliance issues with regulatory bodies in the course of our operations, in respect of which we may face administrative proceedings and unfavorable decisions that may result in liabilities and cause delays to our property developments. We may be involved in other proceedings or disputes in the future that may have a material adverse effect on our business, financial condition and results of operations.

Our business depends largely on our brand image and our intellectual property rights, and any damage to them could adversely affect our brand value and our business.

We rely on our brand name, "Radiance" (金輝), in marketing our properties. Brand value is based largely on subjective public perception and can be damaged by isolated incidents. Any negative incident or negative publicity concerning us or our business could adversely affect our reputation and business. Our brand value and consumer demand for our properties could decline significantly if we fail to maintain the quality of our properties, offer consistently a negative experience to our customers, or are perceived to have acted in an unethical or socially irresponsible manner.

Further, we may be subject to or associated with negative publicity, including on the Internet, with respect to our corporate affairs and conduct related to our personnel or the real estate market in which we operate or intend to operate. We may also be subject to negative reports or criticisms by various media. We make no representation as to the appropriateness, accuracy, completeness or reliability of any such information or publication. Nonetheless, any negative coverage, whether or not related to us or our related parties and regardless of truth or merit, may have an impact on our brand and reputation and, consequently, may undermine the confidence of our customers and investors in us, which may in turn materially and adversely affect our business, financial condition, results of operations and prospects.

In addition, our efforts to protect our brand name may not be adequate, and we may be unable to identify any unauthorized use of our brand name or to take appropriate steps to enforce our rights on a timely basis. Any unauthorized use or infringement of our brand name may impair our brand value, damage our reputation and materially and adversely affect our business and results of operations. Third parties may use our intellectual property in ways that damage our reputation in the real estate industry. Although we are not aware that any such instances occurred during the Track Record Period, we cannot guarantee that our measures to protect our intellectual property will be sufficient. We primarily rely on contracts with our employees and business partners under trademark and copyright laws and regulations to protect our intellectual property rights. Despite the precautions taken, there can be no assurance that we will be able to detect all misappropriation or unauthorized use of our trade name and trademarks in a timely manner, or at all. There is also no guarantee that we will be successful in any enforcement proceedings that we undertake. Litigation to protect our intellectual property may be time-consuming and costly and divert management attention from our operations. Our business and financial condition may be materially and adversely affected in the short term, while failures to protect our intellectual property rights may diminish our competitiveness and market share in the long term.

False advertising of our properties may lead to penalties, undermine our sales and marketing efforts, deteriorate our brand name, and have a material adverse effect on our business.

As a property developer in the PRC, we are subject to a variety of laws and regulations concerning the marketing and promotion of our property development projects, our business and our brand image. If any of our advertisements are considered to be untruthful or any of the sales and marketing efforts by us or our agents are considered to be unlawful, we may be penalized and required to cease publishing the advertisements and eliminate adverse effects. In addition, any false advertising may cast doubt on our other disclosure, advertisements, filings and publications; may deteriorate our brand name and reputation and consequently may materially and adversely affect our business, financial condition and results of operations.

The property development and sales business is subject to customer claims under statutory quality warranties.

All property developers in the PRC, including us, must provide certain quality warranties for the properties they construct or sell. We have received customer claims in relation to the quality of our projects in the past, such as water leakage, sinking and uneven floors and wall cracks, and we expect to continue to receive customer claims of this nature in the future. Generally, we coordinate with the relevant third-party contractors to respond to such customer claims as most of such complaints were mainly due to the customers' dissatisfaction with the quality of properties they have purchased. Subject to the agreements we enter into with our third-party contractors, we typically receive quality warranties from our third-party contractors to cover claims that may be brought against us under our warranties. See "Business — Our Property Development Management — Delivery of Properties and After-sales Customer Service — Warranties and Returns."

Although we believe that each of these claims is immaterial by nature or amount, we cannot assure you that we will not face any significant customer claims in the future, either individually or in aggregate. If a significant number of claims are brought against us under our warranties and if we are unable to obtain reimbursement for such claims from third-party contractors in a timely manner, or at all, or if the money retained by us to cover our payment obligations under the quality warranties is not sufficient, we could incur significant expenses to resolve such claims or face delays in correcting the related defects, which could in turn harm our reputation and could have a material adverse impact on our business, financial condition and results of operations.

We may fail to retain members of our senior management team and key personnel.

Our continuing and future success depends on the efforts of our senior management team. As they possess industry expertise, know-how or experience in key areas such as property development, construction and sales and marketing, losing their services may have a material and adverse effect on our ability to grow and sustain our business. Should any or all members of our senior management team join or form a competing business with their expertise, business relationships and full knowledge of our business operations, we may not be able to estimate the extent of and compensate for such damage. Unexpected resignations may also leave key operations without supervisors and materially and adversely affect the implementation of our business strategies. In addition, we rely on our key experienced employees, which include qualified design, construction management, quality control, marketing and on-site supervisory for our daily operation and business expansion. There can be no assurance that we will be able to recruit personnel with equivalent qualifications in a timely manner or at all, as competition for experienced management is intense in our industry.

We may not have adequate insurance coverage to cover risks related to our business.

We maintain or require the general contractors to maintain insurance as required by applicable PRC laws and regulations and as we consider appropriate for all of our property projects under construction and investment properties. For example, we maintain all-risks insurance for our projects under development, including natural or accidental damage and destruction by fire, flood, lightning, explosions or other hazards during construction periods and maintain insurance for our self-owned completed project against certain risks. We maintain constructional all-risks insurance for our property development operations. However, we do not maintain insurance in respect of litigation risks, business termination risks, product liability or our important personnel for all of our subsidiaries, as such is not required under the applicable PRC laws and regulations. We may be required to bear our losses to the extent that our insurance coverage is insufficient. If we were to incur substantial losses and liabilities that are not covered by our insurance policies, we could suffer significant costs and diversion of our resources, and thereby materially and adversely affect our financial condition and results of operations.

We may not be able to prevent or detect actions by our employees or agents which violate applicable anti-corruption laws and regulations.

Bribery and other misconduct by our employees or agents may be difficult to prevent or to detect on a timely basis, or at all. Although we have put in place relevant internal control measures aimed at preventing our employees and agents from engaging in conduct which would violate applicable anti-corruption laws and regulations, there can be no assurance that we will be able to prevent or detect such misconduct. Such misconduct by our employees or agents could subject us to financial losses and harm its business and operations. In addition to potential financial losses, such misconduct could subject us to third party claims and regulatory investigations. Any of the foregoing could have a material adverse effect on our business, financial condition, results of operations and prospects.

Certain portions of our property development projects and investment properties are designated as civil air defense properties, and we may not be able to use these areas as planned in times of war.

Certain portions of our property development projects and investment properties are designated as civil air defense properties. According to the PRC laws and regulations, new buildings constructed in cities should contain basement areas that can be used for civil air defense purposes in times of war. Under the PRC Civil Air Defense Law (中華人民共和國人民防空法) promulgated by the NPC on October 29, 1996, as amended on August 27, 2009 and Management Measures for Peacetime Development and Usage of Civil Air Defense Properties (人民防空工程平時開發利用管理辦法) promulgated by the House Civil Air Defense Office on November 2001, after obtaining the approval from the civil air defense supervising authority, a developer can manage and use such areas designated as civil air defense properties at other time and generate profits from such use. During the Track Record Period, we had entered into contracts to transfer the right to use civil air defense properties in our property development projects to our customers as car parks and we intend to continue such transfer. However, in times of war, such areas may be used by the PRC Government at no cost. In the event of war and if the civil air defense area of our projects is used by the public, we may not able to use such area as car parks, and such area will no longer be a source of our revenue. In addition, while our business operations have complied with the laws and regulations on civil air defense property in all material aspects, we cannot assure you that such laws and regulations will not be amended in the future which may make it more burdensome for us to comply with and increase our compliance cost. As of the July 31, 2020, we had civil air defense areas with an aggregate GFA of approximately 1,314,353 sq.m., which are primarily used or to be used for car parks, representing an insignificant portion of our property portfolio.

We may experience failures in or disruptions to our information technology systems.

We rely on our information technology systems to manage key operational functions such as processing financial data and coordinating business operations among the operational teams at the headquarter level and city level. However, we cannot assure you that damages or interruptions caused by power outages, computer viruses, hardware and software failures, telecommunication failures, fires, natural disasters, security breaches and other similar occurrences relating to our information systems will not occur going forward. We may incur significant costs in restoring any damaged information technology systems. Failures in or disruptions to our information technology systems and loss or leakage of confidential information could cause transaction errors, processing inefficiencies and the loss of customers and sales. Thus our business and results of operations may be materially and adversely affected.

Our historical financial results may not be indicative of our future performance.

In 2017, 2018 and 2019 and the four months ended April 30, 2020, our revenue was RMB11,776.6 million, RMB15,971.2 million and RMB25,963.1 million and RMB2,929.2 million, respectively, while our net profit was RMB2,221.3 million, RMB2,299.9 million and RMB2,690.0 million and RMB182.0 million, respectively. Our gross profit margin decreased from 32.2% in 2017 to 30.2% in 2018, and further to 21.8% in 2019. Our gross profit margin was 26.6% for the four months ended April 30, 2020. These historical results should not be taken as indicative of our future performance. We may not be able to sustain our stable growth or may not even be able to grow our business at all.

To focus our resources primarily on property development and sales, we disposed of the property management service business as part of the Reorganization which had been completed as of December 31, 2019. In 2017, 2018 and 2019, revenue derived from our property management services was RMB357.1 million, RMB480.5 million and RMB517.2 million, respectively. As a result of the disposal, we did not record any revenue from property management services in the four months ended April 30, 2020. See Note 39 to the Accountants' Report in Appendix I to this Prospectus and "History, Reorganization and Corporate Structure — Reorganization — Disposals of Beijing Jinhui Jinjiang and Xi'an Jinhui Square Commercial Property Management" for details. As a result, our historical results should not be taken as indicative of our future prospects.

We realized interest income during the Track Record Period from related parties and third parties.

We realized interest income from related parties and third parties during the Track Record Period, and recognized net finance income in an amount of RMB219.3 million, RMB151.6 million and RMB40.8 million, respectively, in 2017, 2018 and 2019. We had ceased to charge interests on advances made to related parties and realize interest income from third parties as of December 31, 2019.

During the Track Record Period, we made advances to our related parties and charged interest. See "Financial Information — Related Party Transactions — Balances with Related Parties" for details. Although we did not make any advances to any third parties during the Track Record Period, we realize interest income from third parties. For certain jointly developed property projects, we may acquire a land parcel prior to entering into a business corporation agreement with third-party developer during our ordinary course of business. As we already made the deposit for the relevant land parcel, the third-party developer agreed to pay us an interest at an agreed rate for the portion of funds in proportion to its equity interest.

Our PRC Legal Advisors are of the view that the loans to our related parties, notwithstanding whether we charged interests on advances made to related parties did not comply with the General Lending Provisions (《貸款通則》), a regulation promulgated by the PBOC in 1996. In addition, our PRC Legal Advisors are of the view that interest received from third-parties also did not comply with the General Lending Provisions. According to the General Lending Provisions, only financial institutions may engage in the business of extending loans, and loans between companies that are not financial institutions are prohibited. The PBOC may impose penalties on the lender equivalent to one to five times of the income generated (being interests charged) from loan advancing activities. See "Financial Information — Description of Certain Consolidated Statements of Profit or Loss Items — Finance Income," and "Financial Information — Related Party Transactions — Balances with Related Parties" for details.

We expect that our cash advances made to joint ventures and associates will continue after the Listing for the purposes of financing the development of our jointly-developed projects. See "Financial information — Related Party Transactions — Balances with Related Parties" for details. We also expect that we will continue, on a limited scale after the Listing, to jointly develop projects with third parties. In the event that we are ordered by the PBOC to pay the penalties, our financial condition and results of operations will be adversely affected.

RISKS RELATING TO OUR INDUSTRY

The real estate industry is closely monitored by the PRC Government and we may fail to adapt to new laws and regulations in ways that are profitable to our business.

The PRC Government closely monitors the real estate industry and promulgates new laws and regulations that are relevant to our business from time to time. The PRC Government exerts considerable direct and indirect influence on the growth and development of the PRC property market through industry policies and other economic measures such as reducing the land available for property development, setting interest rate, setting pre-sale unit price, controlling the supply of credit by changing bank reserve ratios and implementing lending restrictions, increasing tax and duties on property transfers and imposing foreign exchange restrictions on foreign investment and financing. Such policies, which may be introduced to curb overheating in the real estate industry, may reduce market demand for our properties. Laws and regulations promulgated to regulate other sectors of the economy may also indirectly affect our industry. Since 2004, the PRC and local governments introduced a series of regulations and policies designed to generally control the growth of the property market, including:

- strictly enforcing the idle land-related laws and regulations;
- restricting the grant or extension of revolving credit facilities to property developers that hold a large amount of idle land and vacant commodity properties;
- prohibiting commercial banks from lending funds to property developers with an internal capital ratio lower than certain prescribed percentage;
- restricting PRC commercial banks from granting loans to property developers for the purpose of paying land grant premiums;
- controlling the supply of residential property sales by adopting lots drawing policy in certain cities such as Shanghai, Nanjing, Changsha and Chengdu;

- limiting the maximum amount of monthly mortgage and the maximum amount of total monthly debt service payments of an individual borrower;

- imposing a business tax levy on the sales proceeds for second-hand transfers subject to the length of holding period and type of properties;

- raising the minimum percentage of down payment of the purchase price of the residential property of a family;

- restricting purchasers from acquiring second and more residential properties and imposing property purchase restrictions on non-local residents who cannot provide any proof of local tax or social security payments for more than a specified time period in certain cities; and

- restricting the availability of individual housing loans in the property market to individuals and their family members with more than one residential property, and raising interest rates of such loans.

These and other measures, including additional requirements for pre-sales and restricting the use of funds raised by pre-sales, made the properties we developed more costly, unattractive or even unavailable to certain of our customers. In addition, since January 2010, policies implemented by the PRC Government with regard to bank loans and trust financing arrangements for property development projects have had, and may continue to have, a dampening effect on the property markets in which we operate. These measures resulted in downward pressure on the PRC property market starting in the second half of 2011 and reduced transaction volumes in the first quarter of 2012.

Following the market fluctuations in the face of temporary easing of some restrictions by local governments in the second and third quarters of 2012, the property price and transaction volume increased in the last quarter of 2012 and the first quarter of 2013. On February 26, 2013, the General Office of the State Council announced the Notice on Further Regulation of the Real Estate Market (《國務院辦公廳關於繼續做好房地產市場調控工作的通知》). According to such notice, local governments shall increase the supply of housing properties and lands, and set price control targets in cities with rapidly increasing property prices. In addition, the notice also requires the local government to strictly implement existing purchase restrictions and differentiated credit policies with regard to the down payment ratios and interest rates for mortgages for second and more residential property. If the property price increases too quickly, the local government may further increase interest rates and down payment ratio for mortgages for second and more properties. For cities with existing purchase restrictions, the city municipals shall impose further restrictions. For cities with no purchase restrictions, the provincial governments must require these cities to promptly adopt purchase restrictions. The tax, building and construction authorities are required to coordinate to ensure that the 20% individual income tax on the difference between the sales proceeds and the original purchase price for the sales of second-hand properties is strictly implemented. These policies aim to serve to restrain the trend of excessive increase in housing prices. At the end of 2013, a new round of policies aiming at promoting affordable housing and discouraging speculative investments in residential properties were announced in a number of large cities in China, including Beijing, Shanghai, Guangzhou, Shenzhen, Zhengzhou, Nanchang, Fuzhou, Xiamen, Nanjing and Hangzhou.

The PRC Government has eased certain restrictive measures starting in the third quarter of 2014 to foster the growth of the residential property market in China, encourage transactions and reduce idle housing inventories. However, such measures have resulted signs of overheating in the property markets in first-tier cities and certain second-tier cities. As a response, in first-tier cities and certain second-tier cities including Shanghai, Shenzhen, and Suzhou, local governments have again enhanced restrictive measures such as raising the minimum percentage of down payment of the purchase price of the second and more residential property of a family, requiring longer social insurance records in such cities for citizens whose household registration were not in such cities, and restriction on the percentage of price increases by property developers during a year. In 2015, the PRC Government raised percentage of down payment and changed the calculation base of business tax concerning transfer of individual housing, pursuant to which, where an individual sells a property purchased within two years, business tax shall be levied on the full amount of the sales income; where an individual sells a non-ordinary property that was purchased more than two years ago, business tax shall be levied on the difference between the sales income and the original purchase price of the house; the sales of an ordinary residential property purchased by an individual more than two years ago is not subject to such business tax. In 2016, such tax policies have been further refined.

On February 13, 2017, the Asset Management Association of China issued Circular 4 of Regulation for Registration Management of Private Asset Management Plan by Securities and Future Institutions, or the Circular 4. The Circular 4 provides that any private equity and asset management plan that is adopted to make either direct or indirect investment into any ordinary residential property project located in certain PRC cities where the property price rises too fast shall not be filed for a record temporarily. Such cities currently comprise 16 major cities in the PRC, such as Shanghai, Hefei, Nanjing, Suzhou, Tianjin, Fuzhou, Wuhan and Zhengzhou, and the list of such cities may be updated from time to time in the future according to the relevant regulations of the MOHURD. According to the Circular 4, a private equity and asset management plan shall neither be used to finance any property developer, by means of bank entrusted loans, trust plans, or usufruct of transferee assets, for the purpose of paying the price of land grant or supplementing the working capital, nor be used to directly or indirectly facilitate any violation or illegality of various institutions' granting of loans for down payments.

In recent years, governments in Shanghai, Shenzhen and certain other cities have introduced further policies to restrain property purchases for specialization purposes and prevent property prices from rising too quickly. Such policies include raising the minimum percentage of down payment of the purchase price, setting the minimum interest rate for personal mortgage loans, adopting lots drawing policy for the sales of residential properties, On April 1, 2017, the Ministry of Land and Resources and the MOHURD issued the Circular of the MOHURD and the Ministry of Land and Resources on Tightening the Management and Control over Intermediate Residential Properties and Land Supply (《住房城鄉建設部、國土資源部關於加強近期住房及用地供應管理和調控有關工作的通知》). To maintain a housing supply-demand balance, cities facing serious demand over supply and overheating market shall increase the supply of housing land, especially for ordinary commercial houses; and cities with excessive housing supply shall reduce or suspend the land supply for housing. All the local governments shall build inspection systems to monitor the source of funds for land acquisition to ensure that the property developers use their own legal funds to purchase lands. These measures reduced the transaction volumes in certain major cities in the PRC in the second quarter of 2017.

There are no assurance that the PRC Government will relax existing restrictive measures, impose and enhance restrictive measures, or to impose other restrictive policies, regulations or measures in the future. The existing and other future restrictive measures may limit our access to capital, reduce market demand for our products and increase our finance costs, and any easing measures introduced may also not be sufficient. If we fail to adapt our operations to new policies, regulations and measures that may come into effect from time to time with respect to the real property industry, or such policy changes negatively impact our business, our financial condition, results of operations and prospects may be materially and adversely affected.

We face intense competition from other real estate developers.

In recent years, many property developers have undertaken property development and investment projects in first- and second-tier cities in China, including property developments similar to ours. Our major competitors include large national and regional property developers and overseas developers, some of which may have better track records and greater financial and other resources than us. In addition, we also compete with small local property developers. Intense competition among property developers in first- and second-tier cities in China for land, financing, raw materials and skilled management and labor resources may result in an increased cost for land acquisition and construction, an oversupply of properties available for sale and a decrease in property prices. Any of the above may adversely affect our business, results of operations and financial condition. In addition, the property markets in first- and second-tier cities in China are rapidly changing in response to various external factors beyond our control. If we fail to respond to these changes in market conditions or customer preferences more swiftly or effectively than our competitors, our business, results of operations and financial condition could be adversely affected.

The PRC Government may adopt more strict measures to regulate the property sector.

Investments in the PRC property sector have increased significantly in the past decade. In response to concerns over the rapid increase in property investments and property prices, from 2004 to the first half of 2008, the PRC Government introduced various policies and measures to curtail property developments. In the second half of 2008 and 2009, in order to reduce the impact of the global economic slowdown, the PRC Government adopted measures to encourage consumption in the residential property market and to support real estate development. However, since December 2009, the PRC Government has adjusted some of its policies in order to enhance regulation in the property market, restrain property purchases for investment or speculation purposes, and keep property prices from rising too quickly in certain cities. In August 2011, MOHURD urged provincial governments to implement home purchase restrictions to control property prices, and listed criteria for the implementation of restrictions. In the second half of 2011, in order to further cool down the property market, the PRC Government extended home purchase restrictions to certain second- and third-tier cities in addition to 40 first- and second-tier cities that had already adopted home purchase restriction measures. On February 26, 2013, the General Office of the State Council issued the Notice on Further Regulation of Real Estate Market (《關於繼續做好房地產市場調控工作的通知》), which provides that a 20% individual income tax should be levied on the difference between the sale proceeds and the purchase price for the owner's transfer of residence. At the end of 2013, a new round of policies aimed at promoting affordable housing and discouraging speculative investments in residential properties was announced in a number of large Chinese cities, including Beijing, Shanghai, Guangzhou, Shenzhen, Zhengzhou, Nanchang, Fuzhou, Xiamen, Nanjing and Hangzhou.

On April 1, 2017, the MOHURD issued the Notice of the MOHURD and the Ministry of Land and Resources on Tightening the Management and Control over Intermediate Residential Properties and Land Supply (住房城鄉建設部、國土資源部關於加強近期住房及用地供應管理和調控有關工作的通知). According to the Notice, cities facing serious demand over supply and overheating market shall increase the supply of housing land to maintain a housing supply-demand balance, especially for ordinary commercial houses; and cities with excessive housing supply shall reduce or suspend the land supply for housing. All the local governments shall build an inspection system to monitor the source of funds for land acquisition to ensure that the real estate developers use their own funds to purchase lands.

In July 2017, the NDRC, the CSRC, the MOF, the MOHURD, the Ministry of Public Security, the Ministry of Land and Resources, the SAT, the SAIC and the PBOC jointly issued the Notice on Accelerating the

Development of Renting Market in Large and Medium-sized Cities with Influx Population (關於在人口淨流入的大中城市加快發展住房租賃市場的通知), promoting the development of renting market through multiple channels, such as increasing the land banks to be granted for renting houses, encouraging the ancillary renting houses in new commodity properties. The promotion on the renting market may adversely impact property sales.

We cannot assure you that the PRC Government, in particular local government where we have operations, will not adopt more stringent policies, regulations and measures in the future. Such policy changes may materially and negatively impact our business, results of operations, financial condition and prospects.

We are exposed to risks associated with operating in an industry yet in the adjustment and optimization stage.

As the real estate industry in China is yet in the adjustment and optimization stage, investors may be discouraged from acquiring properties, as there is a limited amount of accurate financial and regulatory information publicly available. Other factors that discourage investment in real estate may include the limited number of mortgage financing options available, legal uncertainties to do with enforcement of title and the lack of a liquid secondary market for residential properties. Though demand for private residential property has grown in recent years, the real estate market has experienced volatility and price fluctuations. The risk of over-supply has also surfaced as investments in real estate are increasingly made for speculative reasons. We are exposed to risks associated with operating in such a business environment. Any of the factors relating to the real estate industry may reduce demand for our properties. We may be forced to lower our prices, and the resulting decrease in our profit margins may materially and adversely affect our business and results of operations.

RISKS RELATING TO THE PRC

Changes in economic, political and social conditions and government policies in China could have a material adverse effect on our business, financial condition, results of operations and prospects.

We manage and operate all of our business operations within the PRC. Accordingly, our business, financial condition, results of operations and prospects are to a significant degree, subject to economic, political and social developments in China. The PRC economy differs from the economies of most developed countries in many respects, including the extent of government involvement, level of development, growth rate, control of foreign exchange and allocation of resources.

The PRC economy is in the process of transitioning from a centrally planned economy to a more market-oriented economy. Before its adoption of reform and open-door policies beginning in 1978, China was primarily a planned economy. Since then, the PRC economy has been transitioning to become a market economy with socialist characteristics. For approximately four decades, the PRC Government has implemented economic reform measures to utilize market forces in the PRC economy. Many of the economic reforms carried out by the PRC Government are unprecedented or experimental and are expected to be refined from time to time. Other political, economic and social factors may also lead to further adjustments of the reform measures. This refining process and any changes in laws and regulations or the interpretation or implementation thereof in China may have a material impact on our operations or may adversely affect our financial condition and results of operations.

While the PRC economy has grown significantly in recent years, this growth has been geographically uneven among various sectors of the economy and during different periods. We cannot assure you that the PRC economy will continue to grow, or that if there is growth, such growth will be steady and uniform. Any economic slowdown may materially and adversely affect our business. In the past, the PRC Government has periodically implemented a number of measures intended to slow down certain segments of the economy that the PRC Government believed was overheating. We cannot assure you that the various macroeconomic measures and monetary policies adopted by the PRC Government to guide economic growth and allocate resources will be effective in improving the growth rate of the PRC economy. In addition, such measures, even if they benefit the overall PRC economy in the long term, may reduce demand for our properties and therefore materially and adversely affect our business, financial condition and results of operations.

China's economic growth may also slow down due to weakened exports as a result of tariffs and trade tensions caused by the U.S.-China trade war. In 2018 and 2019, the U.S. government, under the administration of President Donald J. Trump, imposed several rounds of tariffs on cumulatively US$550 billion worth of Chinese products. In retaliation, the PRC Government responded with tariffs on cumulatively US$185 billion worth of U.S. products. In addition, in 2019, the U.S. government restricted certain Chinese technology firms from exporting certain sensitive U.S. goods. The PRC Government lodged a complaint in the World Trade Organization against the United States over the import tariffs in the same year. The trade war created substantial uncertainties and volatilities to global markets. On January 15, 2020, the U.S. and Chinese governments signed the U.S.-China Economic and Trade Agreement, or the Phase I Agreement. Under the Phase I Agreement, the United States agreed to cancel a portion of tariffs imposed on Chinese products, China promised additional purchases of U.S. goods and services, and both parties expressed a commitment to further improving various trade issues. Despite this reprieve, however, it remains to be seen whether the Phase I Agreement will be abided by both governments and successfully reduce trade tensions. If either government violates the Phase I Agreement, it is likely that enforcement actions will be taken and trade tensions will escalate. Furthermore, additional concessions are needed to reach a comprehensive resolution of the trade war. The roadmap to the comprehensive resolution remains unclear, and the lasting impact the trade war may have on China's economy and the real estate industry remains uncertain.

We rely principally on dividends paid by our subsidiaries to fund any cash and financing requirements we may have, and any limitation on the ability of our PRC subsidiaries to pay dividends to us could have a material and adverse effect on our ability to conduct our business.

We are a holding company incorporated in the Cayman Islands and operate our core businesses through our operating subsidiaries in the PRC. Therefore, the availability of funds to pay dividends to our Shareholders largely depends upon dividends received from these subsidiaries. The ability of our subsidiaries and joint ventures to pay dividends or other distributions may be subject to their earnings, financial position, cash requirements and availability, applicable laws and regulations and restrictions on making payments to us contained in financing or other agreements. If any of our subsidiaries or joint ventures incurs indebtedness in its own name, the instruments governing the indebtedness may restrict dividends or other distributions on its equity interest to us. These restrictions could reduce the amount of dividends or other distributions that we receive from these entities, which might in turn restrict our ability to fund our business operations and pay dividends to our Shareholders. In addition, their declaration of dividends will be at the absolute discretion of the boards and shareholders of our subsidiaries and joint ventures.

Furthermore, restrictive covenants in bank credit facilities or other agreements that we or our subsidiaries may enter into in the future may also restrict the ability of our subsidiaries to provide capital or declare dividends to us and our ability to receive distributions. Therefore, these restrictions on the availability and usage of our major source of funding may impact our ability to pay dividends to our Shareholders. In addition, under the EIT

Law, if a foreign entity is deemed to be a "non-resident enterprise" as defined under the EIT Law, a withholding tax at the rate of 10% will be applicable to any dividends for earnings accumulated since January 1, 2008 payable to the foreign entity, unless it is entitled to reduction or elimination of such tax, including by tax treaties or agreements.

Restrictions on currency exchange under PRC laws and regulations may limit our ability to satisfy obligations denominated in foreign currencies.

Currently, the Renminbi cannot be freely converted into foreign currencies, and the conversion and remittance of foreign currencies are subject to PRC foreign exchange regulations. All of our revenue is denominated in Renminbi. Under our current corporate structure, we derive our income primarily from dividend payments made by our PRC subsidiaries. Shortages in the availability of foreign currency may restrict the ability of our PRC subsidiaries to pay dividends or other payments to us or satisfy other foreign currency-denominated obligations, if any. Additionally, the PBOC has adjusted the Renminbi deposit reserve ratio for major banks several times since 2010, first upward to a peak of 21.5% and more recently downward to its present level of 14.5% for large institutions and 12.5% for smaller banks as of January 4, 2019. Effective on April 25, 2018, the PBOC would make downward adjustment of the Renminbi deposit reserve ratio to a minimum of 16.0% for banks meeting certain conditions.

Under existing PRC foreign exchange regulations, the Renminbi is convertible without prior approval from SAFE for current account transactions, so long as certain procedures are complied with. Examples of such current account transactions include profit distributions and interest payments. However, prior approval and registration with SAFE is required for capital account transactions. Examples of capital account transactions include foreign direct investment and the repayment of loan principal. There can be no assurance that the PRC Government, in seeking to regulate the economy, will not restrict access to foreign currencies for current account transactions in the future. Such restrictions may limit our ability to convert cash from our operating activities into foreign currencies to make dividend payments or satisfy any foreign currency-denominated obligations we may have. Moreover, limitations on the flow of funds between us and our PRC subsidiaries may restrict our ability to provide financing to our PRC subsidiaries and take advantage of business opportunities in response to market conditions.

Our investment properties are located on land that is under long-term land use rights granted by the PRC Government. There is uncertainty about the amount of the land grant premium that we will have to pay and additional conditions that may be imposed if we decide to seek an extension of the land use rights for our investment properties.

Our investment properties are held by us under land use rights granted by the PRC Government. Under PRC laws, the maximum term of the land use rights is 40 years for commercial, tourism or recreational purposes and 50 years for industrial or other purposes. Upon expiration, the land use rights will be returned to the PRC Government unless the holder of the land use rights applies for and is granted an extension of the term of the land use rights.

These land use rights do not have automatic rights of renewal and holders of land use rights are required to apply for extensions of the land use rights one year prior to the expiration of their terms. If an application for extension is granted (and such grant would usually be given by the PRC Government unless the land in issue is to be taken back for the purpose of public interests), the holder of the land use rights will be required to pay a land grant premium. If no application is made, or if such application is not granted, the properties under the land use rights will be returned to the PRC Government without any compensation. As none of the land use rights granted by the PRC Government which are similar to those granted for our investment properties had, as of the Latest Practicable Date, run its full term, there was no precedent to provide an indication of the amount of the land grant premium which we will have to pay and any additional conditions which may be imposed if we decide to seek an extension of the land use rights for our investment properties upon the expiry thereof.

In certain circumstances, the PRC Government may, where it considers in the public interest, terminate land use rights before the expiration of the term. In addition, the PRC Government has the right to terminate long-term land use rights and expropriate the land in the event the grantee fails to observe or perform certain terms and conditions pursuant to the land use rights grant contracts. If the PRC Government charges a high land grant premium, imposes additional conditions, or does not grant an extension of the term of the land use rights of any of our investment properties, our operations and business could be disrupted, and our business, financial condition and results of operations could be materially and adversely affected.

Fluctuations in exchange rates may have a material and adverse impact on your investment.

The exchange rate of the Renminbi fluctuates against the Hong Kong dollar, U.S. dollar and other foreign currencies and is affected by the policies of the PRC Government and changes in international and domestic political and economic conditions. From 1995 to July 20, 2005, the conversion of the Renminbi into foreign currencies was based on fixed rates set by the PBOC. However, effective from July 21, 2005, the PRC Government decided to permit the Renminbi to fluctuate within a regulated band based on market supply and demand and by reference to a basket of currencies. On November 30, 2015, the Executive Board of the International Monetary Fund completed a regular five-year review of the basket of currencies that make up the Special Drawing Right and determined that, effective from October 1, 2016, the Renminbi will be included in the Special Drawing Right basket as a fifth currency along with the U.S. dollar, the Euro, the Japanese yen and the British pound. It is difficult to predict how market forces and the PRC Government's policies will continue to impact Renminbi exchange rates going forward. In light of the trend towards Renminbi internationalization, the PRC Government may announce further changes to the exchange rate system, and we cannot assure you that the Renminbi will not appreciate or depreciate significantly in value against the Hong Kong dollar, U.S. dollar or other foreign currencies.

Substantially all of our revenue, liabilities and assets are denominated in Renminbi, while our proceeds from the Global Offering will be denominated in Hong Kong dollars. Material fluctuations in the exchange rate of the Renminbi against the Hong Kong dollar may negatively impact our financial results and the value and amount of any dividends payable on our Shares. For example, significant appreciation of the Renminbi against the Hong Kong dollar could reduce the amount of Renminbi received from converting Global Offering proceeds or proceeds from future financing efforts to fund our operations. Conversely, significant depreciation of the Renminbi may increase the cost of converting our Renminbi-denominated cash flow into Hong Kong dollars, thereby reducing the amount of cash available for paying dividends on our Shares or carrying out other business operations.

Uncertainties with respect to the PRC legal system could have a material adverse effect on our business.

The legal system in China has inherent uncertainties that could limit the legal protection available to our Shareholders. Our business is conducted in China and our principal operating subsidiaries are located in China. Consequently, we are subject to PRC laws and regulations. The PRC legal system is based on the civil law system. Unlike the common law system, the civil law system is established on the written statutes and their interpretation by the Supreme People's Court (最高人民法院), while prior legal decisions and judgments have limited significance as precedent. The PRC Government has been developing a commercial law system, and has made significant progress in promulgating laws and regulations related to economic affairs and matters, such as corporate organization and governance, foreign investments, commerce, taxation and trade.

However, many of these laws and regulations are often principle-oriented and require detailed interpretations by the enforcement bodies to further apply and enforce such laws. Moreover, these laws and regulations are relatively new and there is a limited volume of published decisions. Thus, there are uncertainties involved in their implementation and interpretation, which might not be as consistent and predictable as in other jurisdictions. In addition, the PRC legal system is based in part on government policies and administrative rules that may have a retroactive effect. Consequently, we may not be aware of any violation of these policies and rules until sometime after such violation has occurred. Furthermore, the legal protection available to you under these laws, rules and regulations may be limited. Any litigation or regulatory enforcement action in China may be protracted and result in substantial costs and diversion of resources and management attention.

You may experience difficulties in effecting service of process or enforcing foreign judgments against us, our Directors or senior management residing in China.

Our Company is incorporated in the Cayman Islands. Substantially all of our assets are located in China, and substantially all of our Directors and senior management reside in China. Therefore, it may not be possible to effect service of process within Hong Kong or elsewhere outside of China upon us or our Directors or senior management. Moreover, China has not entered into treaties for the reciprocal recognition and enforcement of court judgments with Japan, the United Kingdom, the United States and many other countries. As a result, recognition and enforcement in China of a court judgment obtained in other jurisdictions may be difficult or impossible.

In addition, on July 14, 2006, China and Hong Kong signed the Arrangement on Reciprocal Recognition and Enforcement of Judgments in Civil and Commercial Matters by the Courts of the Mainland and of the Hong Kong Special Administrative Region Pursuant to Choice of Court Agreements between Parties Concerned (關於內地與香港特別行政區法院相互認可和執行當事人協議管轄的民商事案件判決的安排), or the Arrangement. Pursuant to the Arrangement, a party with a final court judgment rendered by a Hong Kong court requiring payment of money in a civil and commercial case pursuant to a choice of court agreement in writing may apply for recognition and enforcement of the judgment in China. Similarly, a party with a final judgment rendered by a PRC court requiring payment of money in a civil and commercial case pursuant to a choice of court agreement in writing may apply for recognition and enforcement of such judgment in Hong Kong. A choice of court agreement in writing is defined as any agreement in writing entered into between the parties after the effective date of the arrangement in which a Hong Kong or PRC court is expressly designated as the court having sole jurisdiction for such dispute. Therefore, it may not be possible to enforce a judgment rendered by a Hong Kong court in China if the parties in dispute do not agree to enter into a choice of court agreement in writing. On January 18, 2019, the Supreme People's Court of the PRC and Hong Kong entered into an agreement regarding the scope of judgments which may be enforced between China and Hong Kong (關於內地與香港特別行政區法院相互認可和執行民商案件判決的安排), or the New Arrangement. The New Arrangement will broaden the scope of judgments that may be enforced between China and Hong Kong under the Arrangement. Whereas a choice of jurisdiction need to be agreed in writing in the form of an agreement between the parties for the selected jurisdiction to have exclusive jurisdiction over a matter under the Arrangement, the New Arrangement provides that the court in which the judgment was sought could apply jurisdiction in accordance with the certain rules without the parties' agreement. The New Arrangement will replace the Arrangement when the former becomes effective. However, as of the Latest Practicable Date, the New Arrangement has not become effective and no specific date has been determined as its effective date. The Arrangement continues to apply and, as such, it may be difficult or impossible for investors to enforce a Hong Kong court judgment against our assets or our Directors or senior management in China.

We may be deemed a PRC resident enterprise under the EIT Law and be subject to a tax rate of 25% on our global income.

Pursuant to the EIT Law, which came into effect on January 1, 2008, and was amended on February 24, 2017 and December 29, 2018, an enterprise established outside China whose "de facto management body" is located in China is considered a "PRC resident enterprise" and will generally be subject to the uniform EIT rate, of 25% on its global income. Under the implementation rules of the EIT Law, "de facto management body" is defined as the organizational body that effectively exercises management and control over such aspects as the business operations, personnel, accounting and properties of the enterprise.

On April 22, 2009, SAT released the Notice Regarding the Determination of Chinese-Controlled Offshore Incorporated Enterprises as PRC Tax Resident Enterprises on the Basis of De Facto Management Bodies (關於境外註冊中資控股企業依據實際管理機構標準認定為居民企業有關問題的通知), or the Circular 82, as amended on January 29, 2014, which sets out the standards and procedures for determining whether the "de facto management body" of an enterprise registered outside of China and controlled by PRC enterprises or PRC enterprise groups is located within China. Under Circular 82, a foreign enterprise controlled by a PRC enterprise or PRC enterprise group is considered a PRC resident enterprise if all of the following apply (i) the senior management and core management departments in charge of daily business operations are located mainly within China; (ii) financial and human resources decisions are subject to determination or approval by persons or bodies in China; (iii) major assets, accounting books, company seals and minutes and files of board and shareholders' meetings are located or kept within China; and (iv) at least half of the enterprise's directors with voting rights or senior management reside within China. In addition, Circular 82 also requires that the determination of "de facto management body" shall be based on the principle that substance is more important than form. Further to Circular 82, SAT issued the Chinese-Controlled Offshore Incorporated Resident Enterprises Income Tax Regulation (Trial Implementation) (境外註冊中資控股居民企業所得稅管理辦法(試行)), or the Bulletin 45, which took effect on September 1, 2011, and amended on June 1, 2015 and June 18, 2016, to provide more guidance on the implementation of Circular 82 and clarify the reporting and filing obligations of such "Chinese-controlled offshore incorporated resident enterprises." Bulletin 45 provides procedures and administrative details for the determination of resident status and administration of post-determination matters. Although Circular 82 and Bulletin 45 explicitly provide that the above standards apply to enterprises which are registered outside of China and controlled by PRC enterprises or PRC enterprise groups, Circular 82 may reflect SAT's criteria for determining the tax residence of foreign enterprises in general. Substantially all members of our senior management are currently based in China; if we are deemed a PRC resident enterprise, the EIT rate of 25% on our global taxable income may reduce capital we could otherwise divert to our business operations.

You may be subject to PRC income tax on dividends from us or on any gain realized on the transfer of our Shares under PRC law.

Under the EIT Law and its implementation rules, PRC withholding tax at the rate of 10% is normally applicable to dividends from PRC sources payable to investors that are non-PRC resident enterprises, which do not have an establishment or place of business in China, or which have such establishment or place of business if the relevant income is not effectively connected with the establishment or place of business, unless such foreign investors' jurisdiction of incorporation has a tax treaty or similar arrangement with the PRC that provides for a different withholding tax arrangement. According to the Mainland and Hong Kong Special Administrative Region Arrangement on Avoiding Double Taxation or Evasion of Taxation on Income (內地和香港特別行政區關於對所得避免雙重徵稅和防止偷漏稅的安排) issued in August 2006, dividends paid by a foreign-invested enterprise in the PRC to its shareholders in Hong Kong will be subject to a withholding tax at a rate of 5% if such Hong Kong shareholder directly holds a 25% or more interest in the PRC enterprise. Any gains realized on the transfer of shares by such investors are subject to a 10% PRC income tax rate if such gains are regarded as income derived from sources within China unless a treaty or similar arrangement provides otherwise. Under the PRC Individual Income Tax Law (中華人民共和國個人所得稅法) and its implementation rules, dividends from sources within China paid to foreign individual investors who are not PRC residents are generally subject to a PRC withholding tax at a rate of 20% and gains from PRC sources realized by such investors on the transfer of shares are generally subject to a 20% PRC income tax rate, in each case, subject to any reduction or exemption set forth in applicable tax treaties and PRC laws.

Although we conduct all of our business operations in China, it is unclear whether dividends we pay with respect to our Shares, or the gain realized from the transfer of our Shares, would be treated as income derived from sources within China, and as a result be subject to PRC income tax if we are considered a PRC resident enterprise. If PRC income tax is imposed on gains realized from the transfer of our Shares or on dividends paid to our non-PRC resident investors, the value of your investment in our Shares may be materially and adversely affected. Furthermore, our Shareholders whose jurisdictions of residence have tax treaties or arrangements with China may not qualify for benefits under such tax treaties or arrangements.

Regulations relating to offshore investment activities by PRC residents may subject us to fines or sanctions imposed by the PRC Government, including restrictions on the ability of our PRC subsidiaries to pay dividends or make distributions to us and our ability to increase our investment in our PRC subsidiaries.

The SAFE promulgated the Circular on Relevant Issues Concerning Foreign Exchange Administration for PRC Residents to Engage in Overseas Investment and Financing and Round Trip Investment via Overseas Special Purpose Vehicles (關於境內居民通過特殊目的公司境外投融資及返程投資外匯管理有關問題的通知), or the Circular 37, in July 2014. Pursuant to Circular 37, PRC residents, including PRC institutions and individuals, must register with local branches of SAFE in connection with their direct or indirect offshore investments in an overseas special purpose vehicle, or SPV, directly established or indirectly controlled by PRC residents for the purposes of offshore investment and financing with their legally owned assets or interests in domestic enterprises, or their legally owned offshore assets or interests or any inbound investment through SPVs. Such PRC residents are also required to amend their registrations with SAFE when there is change to the required information of the registered SPV, such as changes to its PRC resident individual shareholder, name, operation period or other basic information, or the PRC individual resident's increase or decrease in its capital contribution in the SPV, or any share transfer or exchange, merger or division of the SPV. In accordance with Circular of the State Administration of Foreign Exchange on Further Simplifying and Improving the Direct Investment-related Foreign Exchange Administration Policies (關於進一步簡化和改進直接投資外匯管理政策的通知), or the Circular 13, the foreign exchange registration aforesaid has been directly reviewed and handled by banks since June 1, 2015, and SAFE and its branches perform indirect regulation over such foreign exchange registration through local banks. Under this regulation, failure to comply with the registration procedures set forth in Circular 37 may result in restrictions being imposed on the foreign exchange activities of our PRC subsidiaries, including the payment of dividends and other distributions to its offshore parent or affiliate, the capital inflow from the offshore entities and its settlement of foreign exchange capital, and may also subject the relevant onshore company or PRC residents to penalties under PRC foreign exchange administration regulations.

We are committed to complying with and ensuring that our Shareholders who are subject to the regulations will comply with the relevant rules. Any future failure by any of our Shareholders who is a PRC resident, or controlled by a PRC resident, to comply with relevant requirements under this regulation could subject us to penalties or sanctions imposed by the PRC Government. However, we may not at all times be fully aware or informed of the identities of all of our Shareholders who are PRC residents, and we may not always be able to timely compel our Shareholders to comply with the requirements of Circular 37. Moreover, there is no assurance that the PRC Government will not have a different interpretation of the requirements of Circular 37 in the future.

PRC laws and regulations establish more complex procedures for some acquisitions of PRC companies by foreign investors, which could make it difficult for us to pursue growth through acquisitions in China.

We may grow our business in part by acquiring other companies operating in our industry. A number of PRC laws and regulations, including the M&A Rules, the Anti-Monopoly Law (反壟斷法) and the Rules of MOFCOM on Implementation of Security Review System of Mergers and Acquisitions of Domestic Enterprises by Foreign Investors (商務部實施外國投資者併購境內企業安全審查制度的規定) promulgated by MOFCOM on August 25, 2011, and effective from September 1, 2011, or the Security Review Rules, have established procedures and requirements that are expected to make the review of certain merger and acquisition activities by foreign investors in China more time-consuming and complex. These include requirements in some instances to notify MOFCOM in advance of any transaction in which foreign investors take control of a PRC domestic enterprise, or to obtain approval from MOFCOM before overseas companies established or controlled by PRC enterprises or residents acquire affiliated domestic companies. PRC laws and regulations also require certain merger and acquisition transactions to be subject to merger control or security review.

The Security Review Rules prohibits foreign investors from bypassing the security review requirement by structuring transactions through proxies, trusts, indirect investments, leases, loans, control through contractual arrangements or offshore transactions. If we are found to be in violation of the Security Review Rules and other PRC laws and regulations with respect to merger and acquisition activities in China, or fail to obtain any of the required approvals, the relevant regulatory authorities would have broad discretion in dealing with such violations, including levying fines, revoking business and operating licenses, confiscating our income and requiring us to restructure or unwind our restructuring activities. Any of these actions could cause significant disruption to our business operations and may materially and adversely affect our business, financial condition and results of operations. Furthermore, if the business of any target company we plan to acquire falls into the ambit of security review, we may not be able to successfully acquire such company either by equity or asset acquisition, capital contribution or any contractual arrangement. Complying with the requirements of the relevant regulations to complete such transactions could be time-consuming, and any required approval processes, including approval from MOFCOM, may delay or inhibit our ability to complete such transactions, thus affecting our ability to expand our business or maintain our market share.

The national and regional economies in China and our business may be adversely affected by factors beyond our control such as natural disasters, acts of war or terrorism, epidemics and pandemics.

Our business is subject to general economic and social conditions in China. Natural disasters, epidemics, pandemics and other acts of God which are beyond our control may adversely affect the economy, infrastructure and livelihood of the people in China. Some regions in China, including the cities where we operate, are under the threat of flood, earthquake, sandstorm, snowstorm, fire, drought, epidemics such as the Severe Acute Respiratory Syndrome, or SARS, the H5N1 avian flu, the human swine flu, also known as Influenza A (H1N1), or, most recently, pandemics such as the ongoing COVID-19 pandemic.

Past occurrences of pandemics, depending on their scale, have caused different degrees of damage to the national and local economies in China. Another public health crisis in China triggered by a recurrence of SARS or an outbreak of any other epidemics or pandemics, for example, the ongoing COVID-19 pandemic, especially in the cities where we have operations, may result in material disruptions to our property development and sales and the operation of commercial properties. In addition, the outbreak of communicable diseases, such as the coronavirus outbreak, on a global scale may affect investment sentiment and result in sporadic volatility in global capital markets or adversely affect China and other economies. Such outbreak has resulted in restrictions on travel and public transportation and prolonged closures of workplaces, which may have a material adverse effect on the global economy. Any material change in the financial markets, the PRC economy or regional economies as a result of these events or developments may materially and adversely affect our business, financial condition and results of operations.

The COVID-19 pandemic may adversely affect the PRC economy, the PRC real estate industry and our business operations.

Toward the end of 2019, a highly infectious novel coronavirus, was identified. The World Health Organization, or the WHO, later named it COVID-19. WHO is closely monitoring and evaluating the situation. On January 30, 2020, the WHO declared the outbreak of COVID-19 a Public Health Emergency of International Concern, or the PHEIC. In March 2020, the WHO characterized the outbreak of COVID-19 a pandemic. As of the date of this Prospectus, COVID-19 pandemic has spread to over 200 countries and territories globally with death toll and number of infected cases continued to rise. Many countries have imposed unprecedented measures to halt the spread of the COVID-19 pandemic, including strict city lockdowns and travel bans. Several cities in China where we have land bank and operations had been under a lockdown, and have imposed travel restrictions in an effort to curb the spread of COVID-19 pandemic.

According to the data released on July 17, 2020 by the National Bureau of Statistics of China, or the National Statistics Bureau, China's second quarter GDP of 2020 increased by 3.2% in 2020 compared with the second quarter of 2019. According to JLL, the PRC real estate market in general is under pressure in the short term as the COVID-19 pandemic has curbed on-site sales, though the impact is likely to ease starting from April 2020. According to the data released by the National Statistics Bureau on July 17, 2020, China's real estate investment in the first half of 2020 amounted to RMB6,278.0 billion, representing an increase of approximately 1.9% compared with the first half of 2019.

As a result of the COVID-19 pandemic, since late January 2020 and up to mid-April 2020, we had suspended the construction activities for our property development projects in compliance with the governmental requirements. As a result, we expect to experience delays in construction completion and property delivery. Out of our five projects in Hubei Province, we expect to experience (i) an approximately three-month delay in construction completion and property delivery for certain parts of three projects; and (ii) an approximately three-month delay in commencement of construction for one project. For our projects outside Hubei Province, we experienced an approximately (i) one-month delay in property delivery for certain parts of two projects; and (ii) two-month delay in property delivery for certain parts of one project. We also implemented appropriate rent reduction or exemption measures. As a result of such measures, the total amount of rent reduced and exempted since December 31, 2019 and up to the Latest Practicable Date was approximately RMB13.1 million. Since December 31, 2019 and up to the Latest Practicable Date, 62 property purchasers requested to terminate their purchase contracts with us, involving an aggregate contract price of approximately RMB101.0 million, which represents approximately 0.2% of our total contracted sales during the same period. The supply chains in all industries had been disrupted to a certain extent by the COVID-19 pandemic due to the prolonged suspension of business operations in the PRC and the instability of workforce arising from the mandatory quarantine requirements. If our contractors or suppliers encounter any disruption in their business operations, our construction schedule may also be disrupted. In addition, our employees and site workers may be infected or subject to quarantine as a result of contact with infected persons. Our construction sites, sale offices and other workplaces may be forced to close as a result of such infections or contacts.

It also remains uncertain as to when the COVID-19 pandemic will be completely contained in China and globally. In the event that the COVID-19 pandemic is not completely controlled within a short timeframe, our business operations and financial condition may be materially and adversely affected as a result of the changes in the outlook of the PRC property market, slowdown in China's economic growth, negative business sentiment or other factors that we cannot foresee. See "Business — Effects of The COVID-19 Pandemic."

RISKS RELATING TO THE GLOBAL OFFERING

There has been no prior market for our Shares, and their liquidity and market price following the Global Offering may be volatile.

Prior to the Global Offering, there was no public market for our Shares. The indicative offer price range and the Offer Price will be determined by negotiations between us and the Joint Global Coordinators (for themselves and on behalf of the Underwriters), and they may differ significantly from the market price of our Shares following the Global Offering.

We have applied to list and deal in our Shares on the Stock Exchange. However, even if approved, there can be no guarantee that: (i) an active or liquid trading market for our Shares will develop; or (ii) if such a trading market does develop, it will be sustained following completion of the Global Offering; or (iii) the market price of our Shares will not decline below the Offer Price. The trading volume and price of our Shares may be subject to significant volatility in response to factors including:

- variations in our financial condition and/or results of operations;
- changes in securities analysts' estimates of our financial condition and/or results of operations, regardless of the accuracy of information on which their estimates are based;
- changes in investors' perception of us and the investment environment generally;
- loss of visibility in the markets due to lack of regular coverage of our business;
- strategic alliances or acquisitions;
- industrial or environmental accidents, litigation or loss of key personnel;
- changes in laws and regulations that impose limitations on our industry;
- fluctuations in the market prices of our properties;

- announcements made by us or our competitors;
- changes in pricing adopted by us or our competitors;
- release or expiry of lock-up or other transfer restrictions on our Shares;
- the liquidity of the market for our Shares; and
- general economic and other factors.

Potential investors will experience immediate and substantial dilution as a result of the Global Offering and could face dilution as a result of future equity financings.

The Offer Price substantially exceeds the per Share value of our net tangible assets after subtracting our total liabilities, and therefore potential investors will experience immediate dilution when they purchase our Shares in the Global Offering. If we were to distribute our net tangible assets to our Shareholders immediately following the Global Offering, potential investors would receive less than the amount they paid for their Shares.

We will comply with Rule 10.08 of the Listing Rules, which specifies that no further Shares or other securities of the Company (subject to certain exceptions) may be issued or form the subject of any agreement to such an issue within six months from the Listing Date. However, after six months from the Listing Date, we may raise additional funds to finance future acquisitions or expansions of our business operations by issuing new Shares or other securities of the Company. As a result, the percentage shareholding of the then Shareholders may be diluted and such newly issued Shares or other securities may confer rights and privileges that have priority over those of the then Shareholders. In addition, if we issue additional Shares or equity-linked securities in the future and such Shares are issued at a price lower than the net tangible asset value per Share at the time of their issuance, you and other purchasers of our Shares may experience further dilution in the net tangible asset value per Share.

Future or perceived sales of substantial amounts of our Shares, in particular future or perceived sales of Shares by our existing Shareholders could affect our market price.

The market price of our Shares could decline as a result of future sales of substantial amounts of our Shares or other related securities, or the perception that such sales may occur. Our ability to raise future capital at favorable times and prices may also be materially and adversely affected. Our Shares held by the Controlling Shareholders are currently subject to certain lock-up undertakings, the details of which are set out in "Underwriting — Underwriting Arrangements and Expenses — Hong Kong Public Offering — Undertakings to the Stock Exchange Pursuant to the Listing Rules." However, there is no assurance that, following the expiration of the lock-up periods, these Shareholders will not dispose of any Shares. We cannot predict the effect of any future sales of the Shares by any of our Shareholders on the market price of our Shares.

We may not declare dividends on our Shares in the future.

Any declaration of dividends will be proposed by our Board of Directors, and the amount of any dividends will depend on various factors, including, without limitation, our results of operations, financial condition, capital requirements and surplus, contractual restrictions, future prospects and other factors which our Board of Directors may determine are important. See "Financial Information — Dividend Policy and Distributable Reserves." We cannot guarantee when, if and in what form dividends will be paid.

Investors may experience difficulties in enforcing their Shareholder rights because we are incorporated in the Cayman Islands, and the protection afforded to minority Shareholders under Cayman Islands law may be different from that under the laws of Hong Kong or other jurisdictions.

The Company is incorporated in the Cayman Islands and its affairs are governed by our Memorandum, Articles of Association, the Cayman Islands Companies Law and the common law of the Cayman Islands. The laws of the Cayman Islands may differ from those of Hong Kong or those of other jurisdictions where investors may be located. As a result, minority Shareholders may not enjoy the same rights as those afforded under the laws of Hong Kong or in other jurisdictions. A summary of the company law of the Cayman Islands on protection of minority shareholders is set out in "Summary of the Constitution of the Company and Cayman Islands Law — Summary of Cayman Islands Company Law and Taxation" in Appendix IV.

Our Controlling Shareholders have substantial influence over the Company and their interests may not be aligned with the interests of Shareholders who subscribe for Shares in the Global Offering.

Immediately after the Global Offering, our Controlling Shareholders will directly or indirectly control the exercise of 85% of voting rights in the general meeting of the Company. See "Relationship with Our Controlling Shareholders." The interests of our Controlling Shareholders may differ from the interests of our other Shareholders. Our Controlling Shareholders will have significant influence on the outcome of any corporate transaction or other matters submitted to our Shareholders for approval, including mergers, consolidations, sales of all or substantially all of our assets, election of Directors and other significant corporate actions. This concentration of ownership may discourage, delay or prevent changes in control of the Company that would otherwise benefit our other Shareholders. To the extent that the interests of our Controlling Shareholders conflict with those of our other Shareholders, our other Shareholders may be deprived of opportunities to advance or protect their interests.

Since there will be a gap of several days between the pricing and trading of our Offer Shares, the price of our Offer Shares could fall below the Offer Price when trading commences.

The Offer Price of our Shares will be determined on the Price Determination Date, which is expected to be Wednesday, October 21, 2020. However, our Shares will not commence trading on the Stock Exchange until the Listing Date, which is expected to be Thursday, October 29, 2020. Accordingly, investors may not be able to sell or deal in our Shares during the period between the Price Determination Date and the Listing Date. Our Shareholders are subject to the risk that the price of our Shares could fall before trading begins, as a result of adverse market conditions or other adverse developments that could occur between the Price Determination Date and the Listing Date.

We cannot guarantee the accuracy of facts, forecasts and statistics with respect to China, the PRC economy and our relevant industries contained in this Prospectus.

Certain facts, forecasts and statistics in this Prospectus relating to China, the PRC economy and industries relevant to us have been derived from information provided or published by PRC Government agencies, industry associations, independent research institutions or other third-party sources, and we can guarantee neither the quality nor reliability of such source materials. They have not been prepared or independently verified by us, the Joint Sponsors, the Joint Global Coordinators, the Joint Bookrunners, the Joint Lead Managers and the Underwriters or any of its or their respective affiliates or advisors. Therefore, we make no representation as to the accuracy of such facts, forecasts and statistics, which may not be consistent with other information compiled within or outside of China. Due to possibly flawed or ineffective collection methods or discrepancies between published information and market practice, the statistics herein may be inaccurate or incomparable to statistics produced for other economies and should not be relied upon. Furthermore, there can be no assurance that they are stated or compiled on the same basis, or with the same degree of accuracy, as similar statistics presented elsewhere. In all cases, investors should consider how much weight or importance they should attach to or place on such facts, forecasts or statistics.

Forward-looking statements contained in this Prospectus are subject to risks and uncertainties.

This Prospectus contains certain forward-looking statements and information relating to us that are based on the beliefs of our management as well as assumptions made by, and information currently available to, our management. When used in this Prospectus, the words "aim," "anticipate," "believe," "can," "continue," "could," "estimate," "expect," "going forward," "intend," "ought to," "may," "might," "plan," "potential," "predict," "project," "seek," "should," "will," "would" and similar expressions, as they relate to the Company or our management, are intended to identify forward-looking statements. Such statements reflect the current views of our management with respect to future events, business operations, liquidity and capital resources, some of which may not materialize or may change. These statements are subject to certain risks, uncertainties and assumptions, including the other risk factors as described in this Prospectus. Subject to the ongoing disclosure obligations of the Listing Rules or other requirements of the Stock Exchange, we do not intend publicly to update or otherwise revise the forward-looking statements in this Prospectus, whether as a result of new information, future events or otherwise. Investors should not place undue reliance on such forward-looking statements and information.

You should read this entire Prospectus carefully and not consider or rely on any particular statements in this Prospectus or in published media reports without carefully considering the risks and other information in this Prospectus.

Prior or subsequent to the publication of this Prospectus, there has been or may be press and media coverage regarding us and the Global Offering, in addition to marketing materials we published in compliance with the Listing Rules. Such press and media coverage may include references to information that do not appear in this Prospectus or is inaccurate. We have not authorized the publication of any such information contained in unauthorized press and media coverage. Therefore, we make no representation as to the appropriateness, accuracy, completeness or reliability of any information disseminated in the media, and do not accept any responsibility for the accuracy or completeness of any financial information or forward-looking statements contained therein. To the extent that any of the information in the media is inconsistent or conflicts with the contents of this Prospectus, we expressly disclaim it. Accordingly, prospective investors should only rely on information included in this Prospectus and not on any of the information in press articles or other media coverage in deciding whether or not to purchase the Offer Shares.

In preparation for the Global Offering, we have sought the following waivers from strict compliance with the relevant provisions of the Listing Rules.

MANAGEMENT PRESENCE IN HONG KONG

According to Rule 8.12 of the Listing Rules, an issuer must have sufficient management presence in Hong Kong and in normal circumstances, at least two of the issuer's executive directors must be ordinarily resident in Hong Kong. Currently, all of our executive Directors reside in the PRC.

All of our core business and operations are based and conducted in the PRC. It would be practically difficult and commercially unnecessary for us to relocate two of our executive Directors to Hong Kong. We have applied to the Stock Exchange for and the Stock Exchange has granted a waiver from compliance with Rule 8.12 of the Listing Rules on the basis that the following measures have been adopted by us:

(1) we have appointed two authorized representatives, Mr. Chen Chaorong, being one of our executive Directors and Mr. Chiu Ngam, being our chief financial officer and company secretary pursuant to Rule 3.05 of the Listing Rules who will act as our Company's principal channel of communication with the Stock Exchange. Mr. Chiu Ngam is ordinarily resident in Hong Kong. Each of our authorized representatives will be available to meet with the Stock Exchange in Hong Kong within a reasonable time frame upon the request of the Stock Exchange and will be readily contactable by telephone, facsimile and email. Each of the two authorized representatives has been authorized to communicate on our behalf with the Stock Exchange;

(2) both our authorized representatives have means to contact all members of our Board (including our independent non-executive Directors) promptly at all times as and when the Stock Exchange wishes to contact the members of our Board for any matter. Our Directors who are not ordinarily resident in Hong Kong possess or can apply for valid travel documents to visit Hong Kong and will be able to meet with the Stock Exchange within a reasonable period of time, when required. Each of our Directors has provided his mobile phone number, office phone number, fax number and e-mail address to our authorized representatives, in the event that a Director expects to travel, he will provide the phone number of the place of his accommodation to our authorized representatives or maintain an open line of communication via his mobile phone and each of our Directors and authorized representatives has provided his mobile number, office phone number, fax number and email address to the Stock Exchange;

(3) we have appointed Maxa Capital Limited as our compliance advisor pursuant to Rule 3A.19 of the Listing Rules, which has access at all times to our authorized representatives, Directors, senior management and other officers of our Company, and will act as an additional channel of communication between the Stock Exchange and us; and

(4) meetings between the Stock Exchange and our Directors could be arranged through our authorized representatives or the compliance advisor, or directly with our Directors within a reasonable time frame. Our Company will promptly inform the Stock Exchange of any changes of our authorized representatives and/or the compliance advisor.

CONNECTED TRANSACTIONS

We have entered into certain transactions which will constitute continuing connected transactions for our Company under the Listing Rules after the Listing. We have applied to the Stock Exchange for, and the Stock Exchange has granted waiver from strict compliance with the announcement requirement under Chapter 14A of the Listing Rules in respect of the continuing connected transaction as disclosed in "Connected Transactions — (B) Continuing Connected Transaction subject to the Reporting, Annual Review, Announcement Requirements but exempt from the Independent Shareholders' Approval Requirement" in this Prospectus. Further information is disclosed in the section headed "Connected Transactions" in this Prospectus.

WAIVER IN RELATION TO PUBLIC FLOAT

Rule 8.08(1)(a) of the Listing Rules requires that there shall be an open market for the securities for which listing is sought, and that a sufficient public float of an issuer's listed securities shall be maintained. Generally, at least 25% of the issuer's total issued share capital must at all times be held by the public.

Based on the minimum Offer Price HK$3.50 and assuming no exercise of the Over-allotment Option, we will achieve a minimum market capitalization of at least HK$10 billion upon Listing and we have applied to the Stock Exchange to request the Stock Exchange to exercise, and the Stock Exchange has confirmed that it will exercise, its discretion under Rule 8.08(1)(d) of the Listing Rules, pursuant to which the public float of the Company may fall below 25% of the issued share capital of the Company, to allow a minimum public float of the Company to be the highest of: (i) 15% of the Company's total issued share capital; and (ii) such percentage of Shares to be held by the public after the full or partial exercise of the Over-allotment Option, provided that the higher of (i) and (ii) above is below the minimum public float requirement of 25% under Rule 8.08(1)(a) of the Listing Rules.

In order to support the application of this waiver, we have confirmed to the Stock Exchange that: (a) we will have an market capitalization at the time of the Listing of over HK$10 billion; (b) the quantity and scale of the issued securities would enable the market to operate properly with a lower percentage of public float; (c) we will make appropriate disclosure of the lower prescribed percentage of public float in the Prospectus; and (d) we will confirm sufficiency of public float in its successive annual reports after the Listing.

DIRECTORS' RESPONSIBILITY FOR THE CONTENTS OF THIS PROSPECTUS

This Prospectus, for which our Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Companies Ordinance, Companies (WUMP) Ordinance, the Securities and Futures (Stock Market Listing) Rules (Chapter 571V of the Laws of Hong Kong) and the Listing Rules for the purpose of giving information with regard to us. Our Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief, the information contained in this Prospectus is accurate and complete in all material respects and is neither misleading nor deceptive, and there are no other matters the omission of which would render any statement herein or this Prospectus misleading.

INFORMATION ON THE GLOBAL OFFERING

The Offer Shares are offered solely on the basis of information contained and representations made in this Prospectus and the Application Forms, and on and subject to the terms and conditions set out herein and therein. No person is authorized to give any information in connection with the Global Offering or make any representation not contained in this Prospectus and the relevant Application Forms, and any information or representation not contained herein and therein must not be relied upon as having been authorized by the Company, the Joint Sponsors, the Joint Global Coordinators, the Joint Bookrunners, the Joint Lead Managers, the Underwriters, any of their respective directors, members of senior management, authorized representatives, agents, employees or advisors or any other party involved in the Global Offering. Neither the delivery of this Prospectus nor any offering, sale or delivery made in connection with the Offer Shares should, under any circumstances, constitute a representation that there has been no change or development reasonably likely to involve a change in our affairs since the date of this Prospectus or imply that the information contained in this Prospectus is correct as of any date subsequent to the date of this Prospectus.

Details of the structure of the Global Offering, including its conditions, are set out in "Structure of the Global Offering" in this Prospectus.

UNDERWRITING

This Prospectus is published solely in connection with the Hong Kong Public Offering, which forms part of the Global Offering. For applicants under the Hong Kong Public Offering, the application procedure for Hong Kong Offer Shares is set out in "How to Apply for Hong Kong Offer Shares" of this Prospectus and the relevant Application Forms.

The Listing is sponsored by the Joint Sponsors. The Hong Kong Public Offering is fully underwritten by the Hong Kong Underwriters under the terms and conditions of the Hong Kong Underwriting Agreement, subject to agreement on the Offer Price between the Company and the Joint Global Coordinators (for themselves on behalf of the Underwriters) on the Price Determination Date. The International Offering is expected to be fully underwritten by the International Underwriters subject to the terms and conditions of the International Underwriting Agreement, which is expected to be entered into on or around the Price Determination Date.

For further information about the Underwriters and the underwriting arrangements, see "Underwriting" in this Prospectus.

RESTRICTIONS ON OFFER AND SALE OF THE OFFER SHARES

Each person acquiring the Offer Shares under the Hong Kong Public Offering will be required to, or be deemed by his/her acquisition of the Hong Kong Offer Shares to, confirm that he/she is aware of the restrictions on offer and sale of the Offer Shares described in this Prospectus and the relevant Application Forms.

No action has been taken to permit a public offering of the Offer Shares in any jurisdiction other than in Hong Kong, or the distribution of this Prospectus and/or the Application Forms in any jurisdiction other than in Hong Kong. Accordingly, this Prospectus and/or the Application Forms may not be used for the purpose of, and does not constitute, an offer or invitation in any jurisdiction or in any circumstances in which such an offer or invitation is not authorized or to any person to whom it is unlawful to make such an offer or invitation. The distribution of this Prospectus and/or the Application Forms and the offer and sale of the Offer Shares in jurisdictions other than in Hong Kong are subject to restrictions and may not be made except as permitted under the applicable securities laws of such jurisdictions pursuant to registration with or authorization by the relevant securities regulatory authorities or an exemption therefrom. In particular, the Offer Shares have not been publicly offered or sold, directly or indirectly, in the PRC.

APPLICATION FOR LISTING ON THE HONG KONG STOCK EXCHANGE

We have applied to the Listing Committee for the Listing of, and permission to deal in, the Shares in issue and to be issued pursuant to the Global Offering, including the Shares which may be issued pursuant to the exercise of the Over-allotment Option and the exercise of options which may be granted under the Share Option Scheme. No part of the Share or loan capital of the Company is listed on or dealt in on any other stock exchange and no such listing or permission to list is being or proposed to be sought in the near future.

OFFER SHARES WILL BE ELIGIBLE FOR ADMISSION INTO CCASS

If the Stock Exchange grants the Listing of, and permission to deal in, the Shares and we comply with the stock admission requirements of HKSCC, the Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the Listing Date or any other date as determined by HKSCC. Settlement of transactions between participants of the Stock Exchange is required to take place in CCASS on the second business day after any trading day.

All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time.

Investors should seek the advice of their stockbroker or other professional adviser for details of the settlement arrangements as such arrangements may affect their rights and interests.

All necessary arrangements have been made enabling the Shares to be admitted into CCASS.

HONG KONG REGISTER OF MEMBERS AND STAMP DUTY

All Shares to be issued pursuant to the Global Offering and any Shares to be issued upon the exercise of the Over-allotment Option or any options which may be granted under the Share Option Scheme will be registered on the Company's Hong Kong register of members to be maintained by the Company's Hong Kong Share

Registrar in Hong Kong. The Company's principal register of members will be maintained in the Cayman Islands by the Principal Share Registrar. Dealings in Shares of the Company registered on the Hong Kong register of members will be subject to Hong Kong stamp duty.

PROFESSIONAL TAX ADVICE RECOMMENDED

Potential investors in the Global Offering are recommended to consult their professional advisors if they are in any doubt as to the taxation implications of subscribing for, purchasing, holding or disposal of, dealing in or exercising any rights attached to the Shares. None of the Company, the Joint Sponsors, the Joint Global Coordinators, the Joint Bookrunners, the Joint Lead Managers, the Underwriters, any of their respective directors or any other person or party involved in the Global Offering accepts responsibility for any tax effects on, or liabilities of, any person resulting from the subscription for, purchase, holding or disposal of, dealing in or exercising any rights attached to the Shares.

APPLICATION PROCEDURE FOR THE HONG KONG OFFER SHARES

The application procedure for Hong Kong Offer Shares is set out in "How to Apply for Hong Kong Offer Shares" in this Prospectus and in the relevant Application Forms.

OVER-ALLOTMENT AND STABILIZATION

Further details of the arrangements relating to stabilization and the Over-allotment Option are set out in "Structure of the Global Offering — International Offering — Over-allotment Option" and "Structure of the Global Offering — Stabilization" in this Prospectus. Unless otherwise specified, all relevant information in this Prospectus assumes no exercise of the Over-allotment Option.

CURRENCY TRANSLATIONS

Solely for your convenience, this Prospectus contains translations of certain Renminbi amounts into Hong Kong dollars at specified rates. No representation is made that the Renminbi amounts could actually be converted into Hong Kong dollar amounts at the rates indicated or at all. Unless we indicate otherwise, the translation of Renminbi into Hong Kong dollars was made at the rate of RMB0.8787 to HK$1.00, the exchange rate prevailing on October 8, 2020, set by the PBOC for foreign exchange transactions.

LANGUAGE

If there is any inconsistency between the English version of this Prospectus and its Chinese translation, the English version of this Prospectus shall prevail. If there is any inconsistency between the Chinese names of PRC nationals, entities, departments, facilities, certificates, titles, laws, regulations and the like mentioned in this Prospectus and their English translations, the Chinese names shall prevail.

ROUNDING

In this Prospectus, where information is presented in hundreds, thousands, ten thousands, millions, hundred millions or billions, certain amounts of less than one hundred, one thousand, ten thousand, one million, a hundred million or a billion, as the case may be, have been rounded to the nearest hundred, thousand, ten thousand, million, hundred million or billion, respectively. Unless otherwise stated, all the numerical figures are rounded to one decimal place. Any discrepancies in any table or chart between totals and sums of amounts listed therein are due to rounding.

DIRECTORS

Name	Address	Nationality
Executive Directors		
Mr. Lam Ting Keung (林定强)	2901, Unit 1, Block 2 Xinghewan Langyuan 1 Middle Siji Xinghe Street Chaoyang District Beijing PRC	Chinese
Mr. Lam Yu (林宇)	701, Unit 1, Block 3 Xinghewan Langyuan 1 Middle Siji Xinghe Street Chaoyang District Beijing PRC	Chinese
Mr. Chen Chaorong (陳朝榮)	Flat 3D, Block 1 Chaoyang Garden Chaoyang District Beijing PRC	Chinese
Mr. Huang Junquan (黃俊泉)	163-3, Zone 3 Lilai Garden Shunyi District Beijing PRC	Chinese
Independent non-executive Directors		
Mr. Zhang Huaqiao (張化橋)	G-2/F, House 2 12 Tung Chung Waterfront Road Coastal Skyline, Le Bleu Tung Chung, Lantau Island Hong Kong	Chinese
Mr. Tse Yat Hong (謝日康)	Flat A, 26/F, Tower 6 One Silversea 18 Hoi Fai Road Tai Kok Tsui Kowloon Hong Kong	Chinese
Mr. Chung Chong Sun (鍾創新)	G/F, BLK 1, iLife 222 Shek Wu Tong Pat Heung, Yuen Long New Territories Hong Kong	Chinese

For further information about our Directors, please refer to "Directors and Senior Management" in this Prospectus.

PARTIES INVOLVED IN THE GLOBAL OFFERING

Joint Sponsors	**ABCI Capital Limited** 11/F, Agricultural Bank of China Tower 50 Connaught Road Central Hong Kong
	CLSA Capital Markets Limited 18/F, One Pacific Place 88 Queensway Hong Kong
	Haitong International Capital Limited 8/F, Li Po Chun Chambers 189 Des Voeux Road Central Hong Kong
Joint Global Coordinators	**ABCI Capital Limited** 11/F, Agricultural Bank of China Tower 50 Connaught Road Central Hong Kong
	CLSA Limited 18/F, One Pacific Place 88 Queensway Hong Kong
	Haitong International Securities Company Limited 22/F, Li Po Chun Chambers 189 Des Voeux Road Central Hong Kong
Joint Bookrunners	**ABCI Capital Limited** 11/F, Agricultural Bank of China Tower 50 Connaught Road Central Hong Kong
	CLSA Limited 18/F, One Pacific Place 88 Queensway Hong Kong
	Haitong International Securities Company Limited 22/F, Li Po Chun Chambers 189 Des Voeux Road Central Hong Kong

CMB International Capital Limited
45th Floor, Champion Tower
3 Garden Road
Central
Hong Kong

Guotai Junan Securities (Hong Kong) Limited
27/F, Low Block, Grand Millennium Plaza
181 Queen's Road Central
Hong Kong

GLAM Capital Limited
Room 908-911, 9/F, Nan Fung Tower
88 Connaught Road Central
Central
Hong Kong

Vision Capital International Holdings Limited
Room A01-A02, 11/F., Grand Millennium Plaza
181 Queen's Road Central
Sheung Wan
Hong Kong

AMTD Global Markets Limited
23-25/F, Nexxus Building
41 Connaught Road Central
Hong Kong

Joint Lead Managers

ABCI Securities Company Limited
10/F, Agricultural Bank of China Tower
50 Connaught Road Central
Hong Kong

CLSA Limited
18/F, One Pacific Place
88 Queensway
Hong Kong

Haitong International Securities Company Limited
22/F, Li Po Chun Chambers
189 Des Voeux Road Central
Hong Kong

CMB International Capital Limited
45th Floor, Champion Tower
3 Garden Road
Central
Hong Kong

Guotai Junan Securities (Hong Kong) Limited
27/F, Low Block, Grand Millennium Plaza
181 Queen's Road Central
Hong Kong

GLAM Capital Limited
Room 908-911, 9/F, Nan Fung Tower
88 Connaught Road Central
Central
Hong Kong

Vision Capital International Holdings Limited
Room A01-A02, 11/F., Grand Millennium Plaza
181 Queen's Road Central
Sheung Wan
Hong Kong

AMTD Global Markets Limited
23-25/F, Nexxus Building
41 Connaught Road Central
Hong Kong

China Silver Bullet Securities Company Limited
Flat 5, 11/F, Fortune Commercial Building
362 Sha Tsui Road
Tsuen Wan
New Territories
Hong Kong

Livermore Holdings Limited
Unit 1214A, 12/F, Tower II, Cheung Sha Wan Plaza
833 Cheung Sha Wan Road
Kowloon
Hong Kong

Legal advisors to our Company

As to Hong Kong law:
Sidley Austin
39th Floor, Two International Finance Center
8 Finance Street
Central
Hong Kong

As to PRC law:
Jingtian & Gongcheng
34/F, Tower 3, China Central Place
77 Jianguo Road
Beijing 100025
China

	As to Cayman Islands law: **Maples and Calder (Hong Kong) LLP** 26th Floor, Central Plaza 18 Harbour Road Wanchai Hong Kong
Legal advisors to the Joint Sponsors and the Underwriters	*As to Hong Kong law:* **Paul Hastings** 21-22/F, Bank of China Tower 1 Garden Road Hong Kong
	As to PRC law: **Beijing Deheng Law Offices** 12/F, Tower B Focus Place No. 19 Finance Street Beijing China
Auditor and reporting accountant	**Ernst & Young** *Certified Public Accountants* 22nd Floor, CITIC Tower 1 Tim Mei Avenue Central Hong Kong
Independent Property Valuer	**Jones Lang LaSalle Corporate Appraisal and Advisory Limited** 7/F, One Taikoo Place 979 King's Road Hong Kong
Industry Consultant	**Jones Lang LaSalle Corporate Appraisal and Advisory Limited** 7/F, One Taikoo Place 979 King's Road Hong Kong
Receiving banks	**Hang Seng Bank Limited** 83 Des Voeux Road Central Central Hong Kong
	CMB Wing Lung Bank Limited 45 Des Voeux Road Central Hong Kong

Registered office	PO Box 309, Ugland House Grand Cayman, KY1-1104 Cayman Islands
Principal place of business and headquarters in the PRC	42/F, Radiance Plaza Qiyang Road Wangjing Chaoyang District Beijing PRC
Principal place of business in Hong Kong	Unit 6701-02, 67/F The Center 99 Queen's Road Central Central Hong Kong
Company's website	**http://www.radiance.com.cn** *(the information contained on this website does not form part of this Prospectus)*
Company secretary	**Mr. Chiu Ngam (趙岩)** *(FCPA)* Flat F, 17/F, Tower 10 11 Hoi Fai Road Kowloon Hong Kong
Audit committee	Mr. Chung Chong Sun *(Chairman)* Mr. Zhang Huaqiao Mr. Tse Yat Hong
Remuneration committee	Mr. Zhang Huaqiao *(Chairman)* Mr. Tse Yat Hong Mr. Chen Chaorong
Nomination committee	Mr. Lam Ting Keung *(Chairman)* Mr. Zhang Huaqiao Mr. Chung Chong Sun
Authorized representatives	**Mr. Chen Chaorong (陳朝榮)** Flat 3D, Block 1 Chaoyang Garden Chaoyang District Beijing PRC

	Mr. Chiu Ngam (趙岩) *(FCPA)* Flat F, 17/F, Tower 10 11 Hoi Fai Road Kowloon Hong Kong
Compliance advisor	**Maxa Capital Limited** Unit 1908 Harbour Center Wanchai Hong Kong
Principal share registrar and transfer office in Cayman Islands	**Tricor Services (Cayman Islands) Limited** Second Floor, Century Yard, Cricket Square P.O. Box 902 Grand Cayman KY1-1103 Cayman Islands
Hong Kong Share Registrar	**Tricor Investor Services Limited** Level 54, Hopewell Centre 183 Queen's Road East Hong Kong
Principal banks	**Agricultural Bank of China, Head Office** 69 Jianguomen Nei Avenue Dongcheng District Beijing PRC
	Industrial and Commercial Bank of China, Head Office 55 Fuxingmennei Street Xicheng District Beijing PRC
	Bank of China, Head Office 1 Fuxingmennei Street Xicheng District Beijing PRC
	China Construction Bank, Fujian Branch 142 Guping Road Gulou District Fuzhou Fujian Province PRC

China Minsheng Bank, Head Office
China Minsheng Bank Building
2 Fuxingmennei Street
Xicheng District
Beijing
PRC

China Merchants Bank, Head Office
China Merchants Bank Tower
7088 Shennan Boulevard
Shenzhen
PRC

China Everbright Bank, Head Office
Everbright Center
No. 25 Taipingqiao Ave
Xicheng District
Beijing
PRC

China Guangfa Bank, Head Office
713 East Dongfeng Road
Yuexiu District
Guangzhou
PRC

Industrial Bank, Fuzhou Branch
154 Hudong Road
Fuzhou
Fujian Province
PRC

The information and statistics set out in this section have been extracted and derived from various official government publications, publicly available sources and private publications, unless otherwise indicated. We believe that the sources of this information and statistics are appropriate sources for such information and statistics and reasonable care has been exercised by our Directors in extracting and reproducing such information and statistics. We have no reason to believe that such information and statistics are false or misleading or that any fact has been omitted that would render such information false or misleading. None of our Company, the Joint Sponsors, the Underwriters or our or their respective directors, advisors, except for JLL, and affiliates have independently verified such information and statistics. Accordingly, none of our Company, the Joint Sponsors, or our or their respective directors and advisors or any other parties involved in the Listing, except for JLL, makes any representation as to the accuracy and completeness of such information and statistics. As such, the official and non-official sources contained herein should not be unduly relied upon. Furthermore, due to the inherent time-lag involved in collecting any industry and economic data, some of the data contained in this section may only represent the state of affairs at the time such data were collected. As such, you should also take into account subsequent movements in the industry and the PRC economy when you evaluate the information contained in this section.

SOURCES OF INFORMATION

In connection with the Global Offering, we have commissioned JLL, an independent third party, to prepare the Industry Research Report with necessary information on the real estate markets in China and the cities where we operate. JLL has charged us a total fee of approximately RMB400,000 for the preparation of the Industry Research Report, which we believe is in line with the market rate for similar reports and the payment of such amount is not contingent upon the success of the listing or the findings of the industry research report.

JLL is an international professional services and investment management firm offering specialized real estate services to clients seeking increased value by owning, occupying and investing in real estate. JLL has more than 280 corporate offices, operates in more than 80 countries and has a global workforce of more than 93,000 as of December 31, 2019.

This section was prepared primarily by the designated market research team based on the information and statistics collected from various government publications, site visits and interviews, recognized research institutions, and the proprietary database of JLL. The information and statistics are considered reliable.

The following sets out the main reasons JLL adopted the above sources of information and considers them as reliable: it is a general market practice to adopt official data and announcements from various Chinese government agencies, and JLL understands the data collection methodology and data source of its proprietary database and the subscribed database from Statista, CEIC Data and China Real Estate Index System (CREIS).

While preparing this section, JLL has relied on the assumptions listed below: (i) all documents provided by the Group are true and correct; (ii) all published data by the relevant government authorities are true and correct; (iii) and where subscribed data is obtained from recognized research and public institutions, JLL will rely upon the apparent integrity and expertise of such institutions.

Our Directors confirm that, as of the Latest Practicable Date, to the best of their knowledge, after taking reasonable care, there is no material adverse change in the market information since the date of the Industry Research Report or the date of the relevant data contained in the Industry Research Report which may qualify, contradict or have an impact on the information in this section.

OVERVIEW OF THE PRC ECONOMY AND POPULATION

China's economy has been maintaining its growth momentum, demonstrated by the increase of nominal GDP from RMB64,128 billion in 2014 to RMB99,087 billion in 2019, representing a compound annual growth rate (CAGR) of 9.1%. The average real GDP growth rate was 6.7% from 2014 to 2019. During the same period, per capita disposable income of urban residents in China increased from RMB28,844 to RMB42,359, with a CAGR of 8.0%, indicating a significant increase of purchasing power of urban residents in China that would in turn lead to a growing demand for property upgrades. China's urbanization rate is keeping rising with support of favorable policies such as the New National Urbanization Plan (2014-2020) (《國家新型城鎮化規劃（2014-2020）》). Meanwhile, China has promoted the reform of Hukou registration system, resulting in the migration of residents to urban areas, leading to an increase of housing demand. The table below sets out the selected major economic indicators in China for the years indicated:

Major economic indicators in the PRC (2014-2019)

	2014	2015	2016	2017	2018	2019(1)	CAGR
Nominal GDP (RMB billion)	64,128	68,599	74,006	82,075	90,031	99,087	9.1%
Real GDP growth rate (%)	7.3	6.9	6.7	6.8	6.6	6.1	6.7(2)
Fixed asset investment (RMB billion)	51,202	56,200	60,647	64,124	64,568	56,087(3)	N/A
Per capita disposable income of urban households (RMB)	28,844	31,195	33,616	36,396	39,251	42,359	8.0%
Urban population (million)	749	771	793	813	831	848	2.5%
Urbanization rate (%)	54.8	56.1	57.4	58.5	59.6	60.6	N/A

Notes:

(1) The preliminary figures

(2) The arithmetic mean of the growth rates

(3) The National Bureau of Statistics of China has revised the scope of fixed asset investment since The 4th Economic Census in 2019

Source: National Bureau of Statistics of China, Ministry of Commerce of China

OVERVIEW OF THE REAL ESTATE MARKET IN THE PRC

Overview of the Real Estate Market

In line with rapid growth of domestic economy and fixed asset investment, the overall investment in real estate sector kept its increasing momentum with a CAGR of 6.8% from RMB9,504 billion in 2014 to RMB13,219 billion in 2019. The total gross floor area (GFA) sold rose to 1,501 million sq.m. in 2019 from 1,052 million sq.m. in 2014, or a CAGR of 7.4%, demonstrating an increasing demand in the real estate market. The average sales price of residential properties increased from RMB5,933 per sq.m. in 2014 to RMB9,287 per sq.m. in 2019, representing a CAGR of 9.4%. The table below sets out the major indicators of real estate sector in China for the years indicated:

Selected real estate market indicators of the PRC (2014-2019)

	2014	2015	2016	2017	2018	2019(1)	CAGR
Total real estate investment (RMB billion)	9,504	9,598	10,258	10,980	12,026	13,219	6.8%
Real estate investment — residential (RMB billion)	6,435	6,460	6,870	7,515	8,519	9,707	8.6%
GFA of residential under construction (million sq.m.)	5,151	5,116	5,213	5,364	5,700	6,277	4.0%
GFA of residential properties newly commenced (million sq.m.)	1,249	1,067	1,159	1,281	1,534	1,675	6.0%
GFA of residential properties completed (million sq.m.)	809	738	772	718	660	680	-3.4%
GFA of residential properties sold (million sq.m.)	1,052	1,124	1,375	1,448	1,479	1,501	7.4%
ASP of residential properties (RMB per sq.m.)	5,933	6,473	7,203	7,614	8,544	9,287	9.4%

Note:

(1) The preliminary figures

Source: National Bureau of Statistics of China

Future Trends of Real Estate Industry in the PRC

Besides the demand from the deepening of urbanization, the future demand of real estate market in the PRC is more likely from metropolitan clusters. The PRC has gradually established resource-sharing and economically-connected metropolitan clusters. Currently, the PRC has already formed three well-developed metropolitan clusters, namely the Pearl River Delta (珠江三角洲), the Yangtze River Delta (長江三角洲) and the Beijing-Tianjin-Hebei (京津冀). During the "13th Five-Year planning Period" ("十三五"規劃期間), the PRC is expected to form 19 regional metropolitan clusters in total, with each cluster comprising a nucleus city and neighboring satellite cities, through convenient transportation and telecommunication system. Further, according to the Guangdong-Hong Kong-Macau Greater Bay Area Development Plan (《粵港澳大灣區發展規劃綱要》) recently issued by the State Council of the PRC, the construction of the Greater Bay Area is expected to improve development quality of city clusters as well as regional residential market. Such efforts aim to improve the regional economic environment, and it is expected that further development of metropolitan clusters will enable lower-tier cities to benefit from the inflow of talents, construction of infrastructure and upgrade of industries, resulting in increasing housing demand in these cities.

Recent Development of Real Estate Market Policies

The real estate market in China is highly exposed to change of government regulations. In order to prevent overheating of the real estate market, the government has established various policies to regulate the market and stabilize the property prices. In the Central Economic Working Conference (中央經濟工作會議) held at the end of 2016, the principle of "Housing is for living in, not for speculation" ("房子是用來住的, 不是用來炒的") was first proposed, and subsequently became the underlying principle. In December 2018, the principle of "stabilizing land price, stabilizing housing price and stabilizing expectation" was strengthened on the conference held by the Ministry of Housing and Urban-Rural Development (住房與城鄉建設部), indicating that the stability of the real estate market would still be the key point of market regulation and development. It is expected that such regulatory measures will effectively restrict speculation and prevent bubbles in the housing market, while impose limited impact on the demand from the real first-time buyers and first-time upgraders. In recent years, some of these restrictions in lower-tier cities have been relaxed in order for those cities to attract and retain more talents to support economic development.

The Competitive Landscape of Real Estate Industry in the PRC

The competitors of the Group include major national and regional developers, and the Group competes with its competitors on capabilities of land acquisition, construction materials, living experience, product design, product quality, selling prices and customer services. The residential property market in China is highly fragmented and competitive. Moreover, the property development industry is capital-intensive, and property sales, funding as well as land acquisition are all exposed to cyclicality, which could largely affect the capital conditions of property developers. Recent restrictive housing measures together with tightened credit environment have impose liquidity pressures on smaller property developer, creating more merge and acquisition opportunities for large property developers with strong balance sheet. The increasing trend is expected to continue. Top-tier real estate developers continued to scale up in 2018 and 2019, resulting in the increase in the market share of China's top 50 developers. The table below sets out the market share of the top 50, 100 and 200 real estate developers by contracted sales in China for the years indicated:

The real estate market share by contracted sales

	2016	2017	2018	2019
Top 50 real estate developers	29.7%	37.4%	43.3%	43.5%
Top 100 real estate developers	38.3%	46.2%	53.6%	53.0%
Top 200 real estate developers	46.0%	52.8%	60.8%	59.6%

Source: China Real Estate Association, CRIC

Market Position of the Group

The Group has demonstrated tremendous growth of business. Over the past 24 years, the Group has become a major national property developer with its business spanning across 30 cities. The competitive advantages of the Group include but not limited to providing a series of products to fulfill various demand, well-established land acquisition strategy, cooperation with leading product designers, healthy financial status, as well as regional focus. For instance, the Group focuses on developing and expanding in key cities with continuous growth of urbanization and robust economic development prospects, such as Fuzhou, Xi'an, Hangzhou, Suzhou, etc. According to 2019 Ranking of Ten Billion Sales Real Estate Companies in China (2019年中國房地產銷售額百億企業排行榜) released by CREIS (中指數據), the Group was ranked 40th in terms of contracted sales. The table below sets forth several developer's ranking in 2019.

2019 Ranking of Ten Billion Sales Real Estate Companies in China

Ranking	Company
1	Company CG
20	Company ZR
40	Radiance Group
50	Company YZ
100	Company ZG

Source: CREIS

Note:

Company CG was incorporated in 1992, with its headquarters located in Foshan city. Company ZR was incorporated in 1998, with its headquarters located in Shanghai. Company YZ was incorporated in 1994, with its headquarters located in Shanghai. Company ZG was incorporated in 2006, with its headquarters located in Chengdu. All the four companies mainly engage in residential property and commercial property development.

OVERVIEW OF THE REAL ESTATE MARKET IN SELECTED CITIES

As of December 31, 2019, the Group has established its presence in 30 major cities spanning in five regions with strong economic growth potential. Considering the Group's operation, historical sales data, land bank, as well as development potential of cities, 10 cities are selected and analyzed to reflect the market environment the Group participated in.

Beijing

Beijing is the capital of the People's Republic of China, and classified as a direct-controlled municipality, it plays an important role in Bohai Economic Rim and is one of the most influential cities in the world. The nominal GDP of Beijing increased from RMB2,194 billion in 2014 to RMB3,537 billion in 2019, representing a CAGR of 10.0%, and the per capita disposable income of urban households in Beijing increased from RMB48,532 in 2014 to RMB67,990 in 2018. As of 2019, the urbanization rate in Beijing has reached 86.6%. The table below sets out the selected economic indicators of Beijing for the years indicated:

Selected economic indicators of Beijing (2014-2019)

	2014	2015	2016	2017	2018	2019[1]	CAGR
Permanent Population (million)	21.5	21.7	21.7	21.7	21.5	21.5	0.0%
Nominal GDP (RMB billion)	2,194	2,369	2,567	2,801	3,032	3,537	10.0%
Real GDP growth rate (%)	7.4	6.9	6.8	6.7	6.6	6.1	6.8[2]
Per capita disposable income of urban households (RMB)	48,532	52,859	57,275	62,406	67,990	N/A	8.8%[3]
Fixed asset investment (RMB billion)	756	799	846	895	806[4]	N/A	1.6%[3]
Urbanization rate (%)	86.4	86.5	86.5	86.5	86.5	86.6	N/A

Notes:

(1) The preliminary figures

(2) The arithmetic mean of the growth rates

(3) Calculated based on figures from 2014 to 2018

(4) The figure is calculated based on the growth rate released by Beijing Statistic Bureau

Source: Beijing Statistic Bureau

Beijing has recorded a smooth growth in real estate investment between 2014 and 2015, from RMB391 billion to RMB423 billion over the year. However, the number followed with 2 years of decrease in 2016 and 2017 to RMB375 billion, and then recovered and stood at RMB384 billion in 2019. The investment in office buildings has been fluctuating over the past six years. Average price of office properties increased from RMB26,471 in 2014 to RMB35,222 in 2017, however, dropped since 2018 and stood at RMB30,222 in 2019. The table below sets out selected indicators of the commercial property market in Beijing for the years indicated:

Property market indicators of Beijing (2014-2019)

	2014	2015	2016	2017	2018	2019[1]	CAGR
Real estate investment (RMB billion)	391	423	405	375	388[2]	384[2]	-0.4%
Real estate investment in office properties (RMB billion)	75.0	90.7	69.9	74.3	52.2[2]	38.0[2]	-12.7%
GFA of office properties completed (million sq.m.)	3.9	3.9	3.4	3.2	2.5	2.9	-5.8%
GFA of office properties sold (million sq.m.)	1.4	2.4	4.1	1.1	0.8	0.5	-18.6%
Average price of office properties (RMB per sq.m.)	26,471	28,461	29,955	35,222	30,534	30,222	2.7%

Notes:

(1) The preliminary figures

(2) The figure is calculated based on the growth rate released by Beijing Statistic Bureau

Source: Beijing Statistic Bureau, CREIS

Fuzhou

Over the past few years, infrastructure construction, urbanization, high-tech development and new energy have become important engine for Fuzhou's economic development, and Fuzhou has enjoyed rapid economic growth with nominal GDP increasing from RMB517 billion in 2014 to RMB939 billion in 2019, representing a CAGR of 12.7%. As of the end of 2019, Fuzhou recorded a permanent population of 7.8 million. The table below sets out selected economic indicators relating to Fuzhou for the years indicated:

Selected economic indicators of Fuzhou (2014-2019)

	2014	2015	2016	2017	2018	2019(1)	CAGR
Permanent Population (million)	7.4	7.5	7.6	7.7	7.7	7.8	1.1%
Nominal GDP (RMB billion)	517	562	620	709	786	939	12.7%
Real GDP growth rate (%)	10.1	9.6	8.5	8.7	8.6	7.9	8.9(2)
Per capita disposable income of urban households (RMB)	32,451	34,982	37,833	40,973	44,457	47,920	8.1%
Fixed asset investment (RMB billion)	443	489	522	582	650(3)	726(3)	10.4%
Urbanization rate (%)	66.9	67.7	68.5	69.5	71.6	N/A	N/A

Notes:

(1) The preliminary figures

(2) The arithmetic mean of the growth rates

(3) The figure is calculated based on the growth rate released by Fuzhou Statistic Bureau

Source: Fuzhou Statistic Bureau

Due to policy restrictions, the residential property market in Fuzhou cooled down, real estate investment in 2018 dropped to RMB144 billion, but the real estate investment had rebounded to RMB181 billion in 2019. The average price of residential properties in Fuzhou increased from RMB15,463 per sq.m. in 2014 to RMB24,590 per sq.m. in 2019, representing a CAGR of 9.7%. The table below sets out selected indicators of the residential property market in Fuzhou for the years indicated:

Property market indicators of Fuzhou (2014-2019)

	2014	2015	2016	2017	2018	2019(1)	CAGR
Real estate investment (RMB billion)	146	138	168	169	144	181	4.4%
Real estate investment — residential (RMB billion)	93	86	112	118	97	129	6.8%
GFA of residential properties completed (million sq.m.)	6.0	7.5	5.3	7.7	4.4	2.5	-16.1%
GFA of residential properties sold (million sq.m.)	8.2	7.5	10.2	12.8	12.6	13.3	10.2%
Average price of residential properties (RMB per sq.m.)	15,463	14,770	16,169	18,821	25,603	24,590	9.7%

Note:

(1) The preliminary figures

Source: Fuzhou Statistic Bureau, CREIS

Xi'an

Xi'an is the capital of Shaanxi province. The tourism industry is flourishing due to world-famous historical heritage there. The nominal GDP of Xi'an showed a dynamic growth from RMB549 billion in 2014 to RMB932 billion in 2019, representing a CAGR of 11.2%. As of the end of 2019, Xi'an had a permanent population of 10.2 million and an urbanization rate of 74.6%. The table below sets out selected economic indicators relating to Xi'an for the years indicated:

Selected economic indicators of Xi'an (2014-2019)

	2014	2015	2016	2017	2018	2019(1)	CAGR
Permanent Population (million)	8.6	8.7	8.8	9.6	10.0	10.2	3.5%
Nominal GDP (RMB billion)	549	580	628	747	835	932	11.2%
Real GDP growth rate (%)	9.9	8.2	8.6	7.7	8.2	7.0	8.3%(2)
Per capita disposable income of urban households (RMB)	30,715	33,188	35,630	38,536	38,729	41,850	6.4%
Fixed asset investment (RMB billion)	590	517	519	756	820(3)	829(3)	7.0%
Urbanization rate (%)	72.6	73.0	73.4	73.4	74.0	74.6	N/A

Notes:

(1) The preliminary figures

(2) The arithmetic mean of the growth rates

(3) The figure is calculated based on the growth rate released by Xi'an Statistic Bureau

Source: Xi'an Statistic Bureau

Real estate investments in Xi'an showed an increasing trend between 2014 and 2019, with a CAGR of 6.9%. The average price of residential properties experienced a sharp increase from RMB6,884 per sq.m. in 2014 to RMB13,910 per sq.m. in 2019, representing a CAGR of 15.1%. The table below sets out selected indicators of the residential property market in Xi'an for the years indicated:

Property market indicators of Xi'an (2014-2019)

	2014	2015	2016	2017	2018	2019(1)	CAGR
Real estate investment (RMB billion)	176	183	196	233	251(2)	246(2)	6.9%
Real estate investment — residential (RMB billion)	133	131	134	157	166(2)	181(2)	6.4%
GFA of residential properties completed (million sq.m.)	12.9	7.5	12.5	12.3	6.2	7.3	-10.8%
GFA of residential properties sold (million sq.m.)	15.1	15.8	18.7	21.1	21.4	19.0	4.7%
Average price of residential properties (RMB per sq.m.)	6,884	6,777	7,100	8,810	11,777	13,910	15.1%

Notes:

(1) The preliminary figures

(2) The figure is calculated based on the growth rate released by Xi'an Statistic Bureau

Source: Xi'an Statistic Bureau, CREIS

Chongqing

Chongqing is one of the four direct-controlled municipalities in China, situating at the economic belt of the upper Yangtze River. The nominal GDP of Chongqing increased from RMB1,432 billion in 2014 to RMB2,361 billion in 2019, representing a CAGR of 10.5%. Chongqing is the largest municipality in China with 31 million of total permanent population and an urbanization rate of 66.8% as of the end of 2019. The table below sets out selected economic indicators relating to Chongqing for the years indicated:

Selected economic indicators of Chongqing (2014-2019)

	2014	2015	2016	2017	2018	2019(1)	CAGR
Permanent Population (million)	29.9	30.2	30.5	30.8	31.0	31.0	0.9%
Nominal GDP (RMB billion)	1,432	1,579	1,767	1,942	2,036	2,361	10.5%
Real GDP growth rate (%)	10.9	11.0	10.7	9.3	6.0	6.3	9.0(2)
Per capita disposable income of urban households (RMB)	25,147	27,239	29,610	32,193	34,889	37,939	8.6%
Fixed asset investment (RMB billion)	1,322	1,548	1,736	1,744	1,866(3)	1,972(3)	8.3%
Urbanization rate (%)	59.6	60.9	62.6	64.1	65.5	66.8	N/A

Notes:

(1) The preliminary figures

(2) The arithmetic mean of the growth rates

(3) The figure is calculated based on the growth rate released by Chongqing Statistic Bureau

Source: Chongqing Statistic Bureau

Despite the slight drop in 2016, the real estate investment of residential properties in Chongqing maintained an upward trend between 2014 and 2019 due to accommodative market environment. The real estate investment in residential properties increased from RMB245 billion in 2014 to RMB325 billion in 2019. The average price of residential properties increased significantly since 2017 and reached RMB12,188 per sq.m. in 2019. The table below sets out selected indicators of the residential property market in Chongqing for the years indicated:

Property market indicators of Chongqing (2014-2019)

	2014	2015	2016	2017	2018	2019(1)	CAGR
Real estate investment (RMB billion)	363	375	373	398	425	444	4.1%
Real estate investment — residential (RMB billion)	245	239	232	263	301	325	5.8%
GFA of residential properties completed (million sq.m.)	27.7	31.9	30.8	33.2	27.8	34.0	4.2%
GFA of residential properties sold (million sq.m.)	44.2	44.8	51.1	54.5	54.2	51.5	3.1%
Average price of residential properties (RMB per sq.m.)	6,756	6,817	6,939	9,057	11,320	12,188	12.5%

Note:

(1) The preliminary figures

Source: Chongqing Statistic Bureau, CREIS

Hangzhou

Hangzhou is the capital city of Zhejiang province and classified as a sub-provincial city. Hangzhou's economy has enjoyed a sturdy growth over the past six years. The nominal GDP increased from RMB921 billion in 2014 to RMB1,537 billion in 2019, representing a CAGR of 10.8%. Hangzhou had a permanent population of 10.4 million as of the end of 2019 and its urbanization rate was 78.5%. The table below sets out selected economic indicators relating to Hangzhou for the years indicated:

Selected economic indicators of Hangzhou (2014-2019)

	2014	2015	2016	2017	2018	2019(1)	CAGR
Permanent Population (million)	8.9	9.0	9.2	9.5	9.8	10.4	3.2%
Nominal GDP (RMB billion)	921	1,005	1,131	1,260	1,351	1,537	10.8%
Real GDP growth rate (%)	8.2	10.2	9.6	8.1	6.7	6.8	8.3(2)
Per capita disposable income of urban households (RMB)	44,632	48,316	52,185	56,276	61,172	66,068	8.2%
Fixed asset investment (RMB billion)	495	556	584	586	649(3)	724(3)	7.9%
Urbanization rate (%)	75.1	75.3	76.2	76.8	77.4	78.5	N/A

Notes:

(1) The preliminary figures

(2) The arithmetic mean of the growth rates

(3) The figure is calculated based on the growth rate released by Hangzhou Statistic Bureau

Source: Hangzhou Statistic Bureau

The real estate investment in residential property in Hangzhou raised from RMB134 billion in 2014 to RMB220 billion in 2019, representing a CAGR of 10.4%. The average price of residential properties increased steadily and experienced an dramatic increase in 2016 when the summit of G20 was held there, from RMB21,679 per sq.m. in 2014 to RMB41,766 per sq.m. in 2018, and remained stable at RMB40,129 per sq.m. in 2019. The table below sets out selected indicators of the residential property market in Hangzhou for the years indicated:

Property market indicators of Hangzhou (2014-2019)

	2014	2015	2016	2017	2018	2019(1)	CAGR
Real estate investment (RMB billion)	230	247	261	273	307	340(2)	8.1%
Real estate investment — residential (RMB billion)	134	144	156	171	195	220(2)	10.4%
GFA of residential properties completed (million sq.m.)	9.3	10.7	11.1	11.7	8.4	9.6	0.6%
GFA of residential properties sold (million sq.m.)	9.5	12.9	18.9	15.2	13.3	12.8	6.1%
Average price of residential properties (RMB per sq.m.)	21,679	22,663	24,883	31,568	41,766	40,129	13.1%

Notes:

(1) The preliminary figures

(2) The figure is calculated based on the growth rate released by Hangzhou Statistic Bureau

Source: Hangzhou Statistic Bureau, CREIS

Hefei

Hefei is the capital city of Anhui Province and one of the key cities of the Belt and Road Initiative (一帶一路) and Yangtze River Delta Megalopolis. The nominal GDP of Hefei increased from RMB518 billion in 2014 to RMB941 billion in 2019, representing a CAGR of 12.7%. The permanent population reached 8.2 million as of the end of 2019 and the urbanization rate stood at 76.3%. The table below sets out selected economic indicators relating to Hefei for the years indicated:

Selected economic indicators of Hefei (2014-2019)

	2014	2015	2016	2017	2018	2019(1)	CAGR
Permanent Population (million)	7.7	7.8	7.9	8.0	8.1	8.2	1.3%
Nominal GDP (RMB billion)	518	566	627	700	782	941	12.7%
Real GDP growth rate (%)	10.0	10.5	9.8	8.5	8.5	7.6	9.2(2)
Per capita disposable income of urban households (RMB)	29,348	31,989	34,852	37,972	41,484	45,404	9.1%
Fixed asset investment (RMB billion)	539	615	605	635	680(3)	741(3)	6.6%
Urbanization rate (%)	69.1	70.4	72.1	73.7	75.0	76.3	N/A

Notes:

(1) The preliminary figures

(2) The arithmetic mean of the growth rates

(3) The figure is calculated based on the growth rate released by Hefei Statistic Bureau

Source: Hefei Statistic Bureau

The real estate investment in Heifei increased from RMB113 billion in 2014 to RMB156 billion in 2019, representing a CAGR of 6.7%. The average price of residential properties in Hefei showed a consistent growth with a CAGR of 16.6% between 2014 and 2019, increased from RMB7,390 to RMB15,928 per sq.m. The table below sets out selected indicators of the residential property market in Hefei for the years indicated:

Property market indicators of Hefei (2014-2019)

	2014	2015	2016	2017	2018	2019(1)	CAGR
Real estate investment (RMB billion)	113	126	135	156	153	156	6.7%
Real estate investment — residential (RMB billion)	72	78	86	110	117	124	11.5%
GFA of residential properties completed (million sq.m.)	7.0	7.1	8.6	7.8	9.1	10.4	8.2%
GFA of residential properties sold (million sq.m.)	13.3	12.9	17.1	9.6	11.0	11.6	-2.7%
Average price of residential properties (RMB per sq.m.)	7,390	8,347	11,043	11,971	14,843	15,928	16.6%

Note:

(1) The preliminary figures

Source: Hefei Statistic Bureau, CREIS

Zhengzhou

Zhengzhou is the capital of Henan province and one of the most important economic centers in central China. The nominal GDP of Zhengzhou increased from RMB678 billion in 2014 to RMB1,159 billion in 2019, representing a CAGR of 11.3%. As of the end of 2019, Zhengzhou has a permanent population of 10.4 million. The table below sets out selected economic indicators relating to Zhengzhou for the years indicated:

Selected economic indicators of Zhengzhou (2014-2019)

	2014	2015	2016	2017	2018	2019(1)	CAGR
Permanent Population (million)	9.4	9.6	9.7	9.9	10.1	10.4	2.0%
Nominal GDP (RMB billion)	678	731	811	919	1,014	1,159	11.3%
Real GDP growth rate (%)	9.4	10	8.5	8.2	8.1	6.5	8.5(2)
Per capita disposable income of urban households (RMB)	29,095	31,099	33,214	36,050	39,042	42,087	7.7%
Fixed asset investment (RMB billion)	536	637	708	764	N/A	N/A	12.5%(3)
Urbanization rate (%)	68.3	69.7	71.0	72.2	73.4	74.6	N/A

Notes:

(1) The preliminary figures

(2) The arithmetic mean of the growth rates

(3) Calculated based on figures from 2014 to 2017

Source: Zhengzhou Statistic Bureau

The real estate investment in Zhengzhou recorded a steady increase from RMB174 billion in 2014 to RMB336 billion in 2017, followed by a slight drop in 2018 to RMB326 billion and recovered in 2019 to RMB335 billion. The residential real estate investment increased from RMB118 billion in 2014 to RMB256 billion in 2019, representing a CAGR of 16.8%. The average price of residential properties in Zhengzhou increased from RMB8,016 per sq.m. in 2014 to RMB13,408 per sq.m. in 2019, representing a CAGR of 10.8%. The table below sets out selected indicators of the residential property market in Zhengzhou for the years indicated:

Property market indicators of Zhengzhou (2014-2019)

	2014	2015	2016	2017	2018	2019(1)	CAGR
Real estate investment (RMB billion)	174	200	278	336	326(2)	335(2)	14.0%
Real estate investment — residential (RMB billion)	118	134	192	242	235(2)	256(2)	16.8%
GFA of residential properties completed (million sq.m.)	11.2	6.7	10.6	10.3	13.6	14.8	5.7%
GFA of residential properties sold (million sq.m.)	12.9	17.0	25.7	27.4	33.3	32.4	20.2%
Average price of residential properties (RMB per sq.m.)	8,016	8,857	10,304	12,165	13,913	13,408	10.8%

Notes:

(1) The preliminary figures

(2) The figure is calculated based on the growth rate released by Zhengzhou Statistic Bureau

Source: Zhengzhou Statistic Bureau, CREIS

Shenyang

Shenyang is the capital city of Liaoning Province, it is one of the sub-provincial cities in China and a core member of Bohai Economic Rim. Shenyang experienced an economic downturn since 2015. The nominal GDP decreased from RMB710 billion in 2014 to RMB647 billion in 2019, representing a CAGR of -1.8%. On the other hand, the per capita disposable income of urban households in Shenyang increased from RMB31,720 in 2014 to RMB46,786 in 2019, representing a CAGR of 8.1%. As of the end of 2019, Shenyang had a permanent population of 8.3 million, and is the largest city in the northeast region in terms of the urban population. The table below sets out selected economic indicators relating to Shenyang for the years indicated:

Selected economic indicators of Shenyang (2014-2019)

	2014	2015	2016	2017	2018	2019[(1)]	CAGR
Permanent Population (million)	8.3	8.3	8.3	8.3	8.3	8.3	0.0%
Nominal GDP (RMB billion)	710	727	553	578	629	647	-1.8%
Real GDP growth rate (%)	6.0	3.2	-4.7	3.5	5.4	4.2	2.9[(2)]
Per capita disposable income of urban households (RMB)	31,720	36,643	38,995	41,359	44,054	46,786	8.1%
Fixed asset investment (RMB billion)	656	533	163	148	171[(3)]	194[(3)]	-21.6%
Urbanization rate[(4)] (%)	80.4	80.5	80.5	80.6	81.0	81.0	N/A

Notes:

(1) The preliminary figures

(2) The arithmetic mean of the growth rates

(3) The figure is calculated based on the growth rate released by Shenyang Statistic Bureau

(4) The figure is calculated based on the Permanent Population and Urban Population released by Shenyang Statistic Bureau

Source: Shenyang Statistic Bureau

The real estate investment in residential properties decreased from RMB142 billion in 2014 to RMB96 billion in 2019, while the average price of residential properties increased from RMB6,212 per sq.m. in 2014 to RMB9,832 per sq.m. in 2019, representing a CAGR of 9.6%. The table below sets out selected indicators of the residential property market in Shenyang for the years indicated:

Property market indicators of Shenyang (2014-2019)

	2014	2015	2016	2017	2018	2019[(1)]	CAGR
Real estate investment (RMB billion)	198	134	71	81	100	117	-10.0%
Real estate investment — residential (RMB billion)	142	93	49	62	78	96	-7.5%
GFA of residential properties completed (million sq.m.)	9.9	7.7	8.0	6.9	5.0	5.3	-11.7%
GFA of residential properties sold (million sq.m.)	13.4	9.5	11.0	11.9	12.0	13.6	0.3%
Average price of residential properties (RMB per sq.m.)	6,212	6,243	6,796	7,574	8,778	9,832	9.6%

Note:

(1) The preliminary figures

Source: Shenyang Statistic Bureau, CREIS

Changsha

As the capital of Hunan Province, Changsha is one of the most important commercial, manufacturing and transportation centers in central China. The nominal GDP of Changsha grew sturdily during the past six years, increasing from RMB793 billion in 2014 to RMB1,157 billion in 2019, representing a CAGR of 7.8%. As of the end of 2019, Changsha had a permanent population of approximately 8.4 million. The table below sets out selected economic indicators relating to Changsha for the years indicated:

Selected economic indicators of Changsha (2014-2019)

	2014	2015	2016	2017	2018	2019[1]	CAGR
Permanent Population (million)	7.3	7.4	7.6	7.9	8.2	8.4	2.8%
Nominal GDP (RMB billion)	793	863	929	1,021	1,100	1,157	7.8%
Real GDP growth rate (%)	10.5	10.0	9.4	9.0	8.5	8.1	9.3[2]
Per capita disposable income of urban households (RMB)	36,826	39,961	43,294	46,948	50,792	55,211	8.4%
Fixed asset investment (RMB billion)	544	636	669	757	844[3]	929[3]	11.3%
Urbanization rate (%)	72.3	74.4	76.0	77.6	79.1	79.6	N/A

Notes:

(1) The preliminary figures

(2) The arithmetic mean of the growth rates

(3) The figure is calculated based on the growth rate released by Changsha Statistic Bureau

Source: Changsha Statistic Bureau

The real estate investment in Changsha showed a steady upward trend between 2014 and 2019, with a CAGR of 5.0%. The average price of residential properties in Changsha increased from RMB6,132 per sq.m. in 2014 to RMB9,195 per sq.m. in 2019, representing a CAGR of 8.4%. The table below sets out selected indicators of the residential property market in Changsha for the years indicated:

Property market indicators of Changsha (2014-2019)

	2014	2015	2016	2017	2018	2019[1]	CAGR
Real estate investment (RMB billion)	131	100	126	149	150	167	5.0%
Real estate investment — residential (RMB billion)	85.6	63.9	69.0	80.8	N/A	N/A	-1.9%[2]
GFA of residential properties completed (million sq.m.)	10.4	9.5	11.1	8.1	9.8	9.0	-2.9%
GFA of residential properties sold (million sq.m.)	13.3	16.9	23.1	18.2	19.7	20.1	8.6%
Average price of residential properties (RMB per sq.m.)	6,132	5,988	6,672	7,151	8,042	9,195	8.4%

Notes:

(1) The preliminary figures

(2) Calculated based on figures from 2014 to 2017

Source: Changsha Statistic Bureau, CREIS

Suzhou

Suzhou is the second largest city in Jiangsu province and one of the most important central cities in the Yangtze River Delta. As one of the highly developed cities in China, Suzhou has experienced strong economic growth from 2014 to 2019. Per capita disposable income increased from RMB46,677 to RMB68,629 from 2014 to 2019. As of the end of 2019, Suzhou had a permanent population of 10.8 million. The table below sets out selected economic indicators relating to Suzhou for the years indicated:

Selected economic indicators of Suzhou (2014-2019)

	2014	2015	2016	2017	2018	2019(1)	CAGR
Permanent Population (million)	10.6	10.6	10.6	10.7	10.7	10.8	0.4%
Nominal GDP (RMB billion)	1,399	1,476	1,575	1,732	1,860	1,924	6.6%
Real GDP growth rate (%)	8.3	7.5	7.5	7.1	6.8	5.6	7.1(2)
Per capita disposable income of urban households (RMB)	46,677	50,390	54,341	58,806	63,481	68,629	8.0%
Fixed asset investment (RMB billion)	623	612	565	563	456	493	-4.6%
Urbanization rate (%)	74.0	74.9	75.5	75.8	76.1	77.0	N/A

Notes:

(1) The preliminary figures

(2) The arithmetic mean of the growth rates

Source: Suzhou Statistic Bureau

The real estate investment in residential projects in Suzhou increased from RMB130 billion to RMB211 billion between 2014 and 2018, and the average price of residential properties price increased from RMB12,052 per sq.m. in 2014 to RMB25,739 per sq.m. in 2019. The table below sets out indicators of the residential property market in Suzhou for the years indicated:

Property market indicators of Suzhou (2014-2019)

	2014	2015	2016	2017	2018	2019(1)	CAGR
Real estate investment (RMB billion)	176	186	216	231	256	269	8.9%
Real estate investment — residential (RMB billion)	130	142	166	184	211	N/A	12.9%(2)
GFA of residential properties completed (million sq.m.)	11.3	12.7	14.0	14.7	10.1	10.0	-2.4%
GFA of residential properties sold (million sq.m.)	14.5	19.4	22.6	16.9	17.9	19.8	6.4%
Average price of residential properties (RMB per sq.m.)	12,052	12,974	18,817	20,627	22,983	25,739	16.4%

Notes:

(1) The preliminary figures

(2) Calculated based on figures from 2014 to 2018

Source: Suzhou Statistic Bureau, CREIS

HISTORICAL PRICE TREND OF DEVELOPERS' COST

In general, cost of land, key construction materials and labor constitutes a large proportion of developers' cost and has kept rising in recent years.

Land cost generally accounts for a significant proportion of cost of sales of real estate developers. According to the Ministry of Land and Resources of the PRC, the average land cost in 105 monitored cities has risen from RMB5,277 per sq.m. in 2014 to RMB7,432 per sq.m. in 2019, representing a CAGR of 7.6%.

Apart from land cost, the cost of construction materials, such as steel and cement, and labor cost are also important components of cost of sales. According to the statistics from related associations, both steel and cement prices showed a decreasing trend due to oversupply issue, but bounced back since 2016 thanks to the progression of supply-side reform. In addition, the government has taken actions to shutdown many medium-to-small sized manufacturing firms that have had pollution issues in the past few years. As a result, the prices of construction materials have increased significantly in the last two years. According to the National Bureau of Statistics, the average wage of workers in the construction and real estate industries kept rising constantly and amounted to RMB60,501 and RMB75,281 respectively in 2018 which indicate higher labor costs for developers.

The table below sets out selected land, steel, cement and labor cost indicators in the PRC for the years indicated:

Selected land, steel, cement and labor cost indicators (2014-2019)

	2014	2015	2016	2017	2018	2019	CAGR
Average land cost of 105 monitored cities (RMB per sq.m.)	5,277	5,484	5,918	6,522	7,080(1)	7,432(2)	7.1%
Steel Price Index (Base year 1994 = 100)	83.1	56.4	99.5	124.7	107.1	106.1	5.0%
Cement (RMB per ton)	308.4	247.4	318.7	414.9	449.0	471.0	8.8%
Average wage of workers in construction industry (RMB)	45,804	48,886	52,082	55,568	60,501	N/A	7.2%(3)
Average wage of workers in real estate industry (RMB)	55,568	60,244	65,497	69,277	75,281	N/A	7.9%(3)

Notes:

(1) data of 106 monitored cities because Sanya was added into the list of monitored cities since 2018

(2) The figure is calculated based on the growth rate released by National Bureau of Statistic

(3) Calculated based on figures from 2014 to 2018

Source: Ministry of Land and Resources of the PRC, China Iron and Steel Association, China Cement Association, National Bureau of Statistic

This section sets forth a summary of the most significant PRC laws and regulations that affect our business, operations and the industry in which we operate.

I. LAWS AND REGULATIONS ON ESTABLISHMENT AND OPERATION OF FOREIGN INVESTED ENTERPRISES

Companies with limited liability and joint stock companies with limited liability established and operating in the PRC are governed by the Company Law of the PRC (《中華人民共和國公司法》) (the "**PRC Company Law**"), which was promulgated by the Standing Committee of the National People's Congress (中華人民共和國全國人大常委會) (the "**SCNPC**") on December 29, 1993 and was latest amended on October 26, 2018. According to the PRC Company Law, the shareholders of a limited liability company may transfer all or part of their equity interests among themselves, however the shareholder proposing to transfer any equity interests to a non-shareholder shall obtain the consent of more than half of the other shareholders. The shareholder shall inform the other shareholders of the equity transfer in writing and seek their consent. Failure to reply within 30 days from receipt of the written statements shall be deemed as consent to the transfer. If more than half of the other shareholders do not consent to the transfer, the dissenting shareholders shall purchase the equity interests to be transferred; any failure to make such purchase shall be deemed as their consent to the transfer.

The establishment procedures, investment management, foreign exchange control, information reporting and all other relevant matters of a Chinese-foreign Equity Joint Venture shall be subject to the Foreign Investment Law of the PRC (《中華人民共和國外商投資法》) (the "**Foreign Investment Law**") promulgated by the SCNPC on March 15, 2019 and effective on January 1, 2020, the Regulations on the Implementation of the Foreign Investment Law of the PRC) (《中華人民共和國外商投資法實施條例》) (the "**Regulations on the Implementation of the Foreign Investment Law**") promulgated by the State Council on December 26, 2019 and effective on January 1, 2020, and the Measures for Reporting Information on Foreign Investment (《外商投資信息報告辦法》) (the "**Measures for Reporting**") jointly promulgated by the Ministry of Commerce of the PRC (the "**MOFCOM**") and State Administration for Market Regulation on December 30, 2019 and effective on January 1, 2020. According to the Foreign Investment Law, the Regulations on the Implementation of the Foreign Investment Law and the Measures for Reporting, the state implements the management scheme of pre-establishment national treatment along with a negative list with respect to foreign investment. For any field with investment prohibited by the Negative List for foreign investment, foreign investors shall not invest; any field with investment restricted by the Negative List for foreign investment, foreign investors shall meet the investment conditions stipulated under the Negative List; field that does not fall within the Negative List shall be administered under the principle of consistency between domestic and foreign investment. The registration of foreign-invested enterprises shall be handled by the market supervision and administration department of the State Council or the market supervision and administration department of the local people's government authorized by it in accordance with law. In the process of performing their duties in accordance with the law, for foreign investors intending to invest in fields within the Negative List, but do not meet the requirements of the Negative List, the relevant authorities will not grant the permission, accept the application of enterprises' registration and handle other relevant matters; for foreign investors involving in the approval of fixed asset investment projects, the relevant authorities will not handle the matters relevant to the approval.

On June 30, 2019, the Catalog of Industries for Encouraged Foreign Investment (2019 Edition) (《鼓勵外商投資產業目錄（2019年版）》) (the "**Catalog**") was promulgated by the National Development and Reform Commission of PRC (the "**NDRC**") and the MOFCOM, and entered into force from July 30, 2019. Encouraged foreign investment industries of the Catalog for the Guidance of Foreign Investment Industries (Revised in 2017) (《外商投資產業指導目錄（2017年修訂）》) released on June 28, 2017 and the Catalog of Priority Industries for

Foreign Investment in the Central-Western Region (Revised in 2017) (《中西部地區外商投資優勢產業目錄（2017年修訂）》) released on February 17, 2017, were repealed simultaneously. On June 30, 2019, the Special Administrative Measures for the Admission of Foreign Investment (Negative List) (2019 Edition) (《外商投資准入特別管理措施（負面清單）（2019年版）》) ("**Negative List 2019**") was promulgate by the NDRC and the MOFCOM, and entered into force from July 30, 2019. The Special Administrative Measures for Access of Foreign Investment (Negative List) (2018 Edition) (《外商投資准入特別管理措施（負面清單）（2018年版）》) released on June 28, 2018, was repealed simultaneously. The Catalog and Negative List 2019 stipulated in detail the areas of entry pertaining to the categories of encouraged foreign investment industries, restricted foreign investment industries and prohibited foreign investment industries. Any industry not listed in the Catalog or Negative List 2019 is a permitted industry.

II. REGULATIONS ON THE ESTABLISHMENT OF REAL ESTATE ENTERPRISES

(i) Establishment of a Real Estate Development Enterprise

According to the Law of the People's Republic of China on Urban Real Estate Administration (《中華人民共和國城市房地產管理法》) (the "**Urban Real Estate Law**") promulgated by the SCNPC, effective on January 1, 1995, and amended on August 30, 2007, August 27, 2009 and August 26, 2019, respectively, a real estate development enterprise is an enterprise which engages in the development and operation of real estate for the purpose of making profits. Under the Regulations on Administration of Development and Operation of Urban Real Estate (《城市房地產開發經營管理條例》) (the "**Development Regulations**") promulgated and implemented by the State Council on July 20, 1998, and amended on January 8, 2011, March 19, 2018 and March 24, 2019, the establishment of a real estate development enterprise shall, in addition to the conditions for the enterprise establishment prescribed by relevant laws and administrative regulations, fulfill the following requirements: (1) its registered capital shall be RMB1 million or above; and (2) it shall have four or more full-time professional real estate/construction technicians with relevant qualification certificates and two or more full-time accounting officers, each of whom shall hold the relevant qualification certificate.

Pursuant to the Development Regulations, the system of capital fund shall be established for a real estate development project and the percentage of capital fund in the total investment of a project shall not be less than 20%. Under the Notice on Adjusting the Capital Ratio of Fixed Assets Investment Projects (《關於調整固定資產投資項目資本金比例的通知》) issued by the State Council on May 25, 2009, the requirement on the minimum capital for affordable housing and general commercial residence has been reduced from 35% to 20%, while the requirement on the minimum capital for other real estate projects has been reduced to 30%. Under the Notice on Adjusting and Perfecting the Capital System for Fixed Assets Investment (《國務院關於調整和完善固定資產投資項目資本金制度的通知》) issued by the State Council on September 9, 2015, the minimum portion of capital for affordable housing and general commercial residence maintained at 20%, while the minimum portion of capital for other real estate projects has been reduced from 30% to 25%.

(ii) Foreign-Invested Real Estate Enterprises

Under the Catalog of Industries for Guiding Foreign Investment (Revised in 2015) (《外商投資產業指導目錄（2015修訂）》) promulgated by the MOFCOM and the NDRC on March 10, 2015 and effective on April 10, 2015, the construction of golf courses and villas falls within the category of industries in which foreign investment is prohibited; and other real estate development falls within the category of industries in which foreign investment is permitted. Pursuant to the Catalog of Industries for Guiding Foreign Investment (Revised in 2017) (《外商投資產業指導目錄（2017修訂）》) promulgated by the MOFCOM and the NDRC on June 28, 2017 and implemented on July 28, 2017, the construction of golf courses and villas was removed from the category of industries in which foreign investment is prohibited. Pursuant to the Negative List 2019 and the Catalog, the real estate development does not fall within the encouraged foreign investment industries, is not listed in the Negative List 2019, and shall be administered under the principle of consistency between domestic and foreign investment.

On July 11, 2006, the Ministry of Construction (中華人民共和國建設部), the MOFCOM, the NDRC, the PBOC, the State Administration for Industry and Commerce (國家工商行政管理總局) and the SAFE jointly promulgated Opinions on Regulating the Market Access and Administration of Foreign Investment in the Real Estate (《關於規範房地產市場外資准入和管理的意見》), which provides, that: (1) foreign organizations and individuals who have established foreign-invested enterprises are allowed to invest in and purchase not-for-self-use real estate in China; while branches of foreign organizations established in China are eligible to purchase commercial houses which match their actual needs for self-use under their names; (2) the registered capital of foreign-invested real estate enterprises with the total investment amount exceeding or equal to US$10 million shall be no less than 50% of their total investment; (3) foreign-invested real estate enterprises can apply for renewing the official foreign-invested enterprise approval certificate and business license with an operation term of one year only after they have paid back all the land premium and obtained the state-owned land use right certificate; (4) with respect to equity transfer and project transfer of a foreign-invested real estate enterprise and the merger and acquisition of a domestic real estate enterprise by an overseas investor, the department in charge of commerce and other departments shall conduct examination and approval in strict compliance with the provisions of the relevant laws, regulations, and policies.

On August 19, 2015, Ministry of Housing and Urban-Rural Development (中華人民共和國住房和城鄉建設部) (the "**MOHURD**"), the MOFCOM, the NDRC, the PBOC, the SAIC and the SAFE jointly promulgated Circular on Amending the Policies Concerning Access and Administration of Foreign Investment in the Real Estate Market (《關於調整房地產市場外資准入和管理有關政策的通知》) (the "**Circular**"). Pursuant to the Circular, the ratio of registered capital to total investment of foreign invested real estate companies shall be subject to the Tentative Regulations of the State Administration for Industry and Commerce on the Proportion of the Registered Capital to the Total Amount of Investment of Sino-foreign Equity Joint Ventures (《國家工商行政管理局關於中外合資經營企業註冊資本與投資總額比例的暫行規定》) that a foreign invested real estate company must fully pay its registered capital before applying for domestic or foreign loans, or settlement of foreign exchange loans has been canceled.

(iii) Qualification of a Real Estate Developer

Under the Development Regulations, a real estate developer must file its establishment with competent department of real estate development of the place where the registration authority is located within 30 days from the date of obtaining the business license. The real estate development authorities shall examine applications for classification of a real estate developer's qualification by considering its assets, professional personnel and industrial achievements. A real estate enterprise shall only engage in real estate development projects in compliance with its approved qualification.

Under the Provisions on Administration of Qualifications of Real Estate Development Enterprises (《房地產開發企業資質管理規定》) (the "**Provisions on Administration of Qualifications**") promulgated by the Ministry of Construction and implemented on March 29, 2000 and amended on May 4, 2015 and December 22, 2018, a real estate developer shall apply for the verification of its qualification level. An enterprise may not engage in the development and sales of real estate without a qualification classification certificate for real estate development. Enterprises engaged in real estate development are classified into four qualification levels: Level I, Level II, Level III and Level IV in accordance with their experience in business, construction quality, the professional personnel, and quality control system etc. A developer of any qualification classification may only engage in the development and sales of the real estate within its approved scope of business and may not engage in business which falls outside the approved scope of its qualification classification.

Pursuant to the Provisions on Administration of Qualifications, a newly-established real estate developer shall file its establishment with the competent department of real estate development within 30 days from the date of obtaining the business license. The competent department of real estate development shall issue the Provisional Qualification Certificate to the eligible developer within 30 days after the developer report to it. The Provisional Qualification Certificate is effective for 1 year from its issuance while the competent department of real estate development may extend the validity to a period of no longer than 2 years considering the actual business situation of the enterprise. The real estate developer shall apply for qualification classification to the competent department of real estate development within 1 month before the expiry of the Provisional Qualification Certificate.

III. LAND USE RIGHTS FOR REAL ESTATE DEVELOPMENT

(i) Land Grants

On April 12, 1988, the National People's Congress (the "**NPC**") passed an amendment to the Constitution of the PRC (《中華人民共和國憲法修正案》). The amendment allowed the transfer of land use rights for value to prepare for reforms of the legal regime governing the use of land and transfer of land use rights. On December 29, 1988, the SCNPC also amended the Land Administration Law of the PRC (《中華人民共和國土地管理法》) to permit the transfer of land use rights for value.

On May 19, 1990, the State Council enacted the Provisional Regulations of the People's Republic of China on Grant and Transfer of the Land-Use Rights of State-Owned Urban Land (《中華人民共和國城鎮國有土地使用權出讓和轉讓暫行條例》) (the "**Provisional Regulations on Grant and Transfer**"). These regulations formalized the process of the grant and transfer of land use rights for value. A land user shall pay land premium to the State as consideration for the grant of the right to use a land site within a certain term, and the land user may transfer, lease out, mortgage or otherwise commercially exploit the land use rights within the term of use. After full payment of the land premium, the land user shall register with the land administration authority and obtain a land-use right certificate which evidences the acquisition of land-use rights.

Under the Regulations on the Grant of State-Owned Land-Use Rights by Way of Tendering, Auction and Listing-for-sale (《招標拍賣掛牌出讓國有土地使用權規定》) promulgated by the Ministry of Land and Resources (中華人民共和國國土資源部) (the "**Ministry of Land and Resources**") on May 9, 2002 and implemented on July 1, 2002 and revised on September 28, 2007 by Regulations on the Grant of State-Owned Construction Land-Use Rights by Way of Tendering, Auction and Listing-for-sale (《招標拍賣掛牌出讓國有建設用地使用權規定》) effective on November 1, 2007 (the "**Land Grant Regulations**"), land to be used for industrial, commercial, tourism, entertainment or commodity residential purposes, or where there are two or more intended users for the certain piece of land, shall be granted by way of competitive processes. A number of measures are provided by the Land Grant Regulations to ensure such grant of land-use rights for commercial purposes is conducted openly and fairly.

On May 11, 2011, the Ministry of Land and Resources promulgated the Opinions on Upholding and Improving the System for the Transfer of Land by Tendering, Auction and Listing-for-Sale (《國土資源部關於

堅持和完善土地招標拍賣掛牌出讓制度的意見》), which provides stipulations to improve policies on the supply of land through public tendering, auction and listing-for-sale, and strengthen the active role of land transfer policy in the control of the real estate market.

On June 11, 2003, the Ministry of Land and Resources promulgated the Regulations on the Grant of State-owned Land Use Rights by Agreement (《協議出讓國有土地使用權規定》). According to this regulation, if there is only one party interested in using the land, the land use rights (excluding profit-oriented land for commercial use, tourism, entertainment and commodity residential properties) may be assigned by way of agreement. If two or more parties are interested in the land use rights to be assigned, such land use rights shall be granted by means of tendering, auction and listing-for-sale.

According to the Circular on the Distribution of the Catalog for Restricted Land Use Projects (2012 Edition) and the Catalog for Prohibited Land Use Project (2012 Edition) (《關於印發<限制用地項目目錄(2012年本)>和<禁止用地項目目錄(2012年本)>的通知》) promulgated by the Ministry of Land and Resources and the NDRC on May 23, 2012, the granted area of the residential housing projects should not exceed (1) seven hectares for small cities and towns, (2) 14 hectares for medium-sized cities, or (3) and 20 hectares for large cities and plot ratio which is not lower than 1.0 (inclusive).

The Measures on the Administration of Reserved Land (《土地儲備管理辦法》), promulgated by the Ministry of Land and Resources, MOF, PBOC and China Banking Regulatory Commission ("**CBRC**") on January 3, 2018, define "reserved land" and stipulate the administrative, regulatory and implementing procedures involved with the planning, standard, development, management and protect, supply and capital expenditure of reserved land.

(ii) Land Transfer From Current Land Users

In addition to a direct grant from the government, an investor may also acquire land use rights from land users that have already obtained the land use rights by entering into an assignment contract with such land users.

For real estate development projects, the Urban Real Estate Law requires that at least 25% of the total amount of investment or development must have been made or completed before an assignment can take place. All rights and obligations of the current holder under a land grant contract will be transferred contemporaneously to the assignee. Relevant local governments may acquire the land use rights from a land user in the event of a readjustment of the user of land for renovating the old urban area according to city planning. The land user will then be compensated for the loss of land use rights.

IV. DEVELOPMENT OF A REAL ESTATE PROJECT

(i) Commencement of Real Estate Project and Regulations With Respect to Idle Land

Under the Urban Real Estate Administration Law, those who have been granted the land use rights must develop the land in accordance with the use and construction period as prescribed by the land use rights grant contract. Pursuant to the Measures on Disposal of Idle Land (《閒置土地處置辦法》) promulgated by the Ministry of Land and Resources on April 28, 1999, amended on June 1, 2012 and implemented on July 1, 2012, the land can be defined as idle land under any of the following circumstances:

Development and construction of the state-owned idle land is not commenced after one year of the prescribed time limit in the land use rights grant contract or allocation decision; or the development and construction of the state-owned idle land has been commenced but the area of the development and construction that has been commenced is less than one-third of the total area to be developed and constructed or the invested amount is less than 25% of the total amount of investment, and the development and construction have been continuously suspended for one year or more without an approval.

Where the delay of commencement of development is caused by the government's behavior or due to the force majeure such as natural disasters, the land administrative authorities shall discuss with the holder of state-owned construction land use rights and choose the methods for disposal in accordance with the Measures on Disposal of Idle Land.

The Notice on Strengthening the Disposing of Idle Land (《關於加大閒置土地處置力度的通知》) issued by the Ministry of Land and Resources on September 8, 2007 emphasized that the disposal of idle land shall be sped up. The land regulatory authority may impose an idle land penalty equivalent to or less than 20% of the land premium; the land regulatory authority shall reclaim the idle land without compensation as required by the relevant regulations. For land that becomes idle as a result of illegal approval, such land shall be reclaimed before the end of 2007.

(ii) Planning of a Real Estate Project

Under the Regulation on Planning Administration regarding Granting and Transfer of State-Owned Land Use Rights in Urban Area (《城市國有土地使用權出讓轉讓規劃管理辦法》) promulgated by the Ministry of Construction in December 1992 and amended in January 2011, a real estate developer shall apply for a construction land planning permit (建設用地規劃許可證) from the municipal planning authority. A land title certificate will be invalid if such land title certificate was obtained without obtaining a construction land planning permit or by changing a construction land planning permit without approval. After obtaining a construction land planning permit, a real estate developer shall conduct all necessary planning and design of construction in accordance with relevant planning and design requirements. The SCNPC promulgated the Urban and Rural Planning Law of PRC (《中華人民共和國城鄉規劃法》) on October 28, 2007, and amended on April 24, 2015 and April 23, 2019, pursuant to which, a construction work planning permit (建設工程規劃許可證) must be obtained from relevant urban and rural planning government authorities for building any structure, fixture, road, pipeline or other engineering project within an urban or rural planning area.

(iii) Construction Work Commencement Permit

After obtaining the construction work planning permit, a real estate developer shall apply for a construction work commencement permit (建設工程施工許可證) from the construction authority under the local people's government at the county level or above in accordance with the Measures for the Administration of Construction Permit for Construction Projects (《建築工程施工許可管理辦法》) promulgated by MOHURD on June 25, 2014, implemented on October 25, 2014 and newly amended on September 19, 2018.

(iv) Inspection Upon Completion of Real Estate Project

In accordance with the Development Regulations, the Administrative Measures for Filing Regarding Completion and Acceptance of Buildings and Municipal Infrastructure Projects (《房屋建築和市政基礎設施工程竣工驗收備案管理辦法》) promulgated by MOHURD on April 4, 2000 and amended on October 19, 2009 and the Rules for Completion and Acceptance of Buildings and Municipal Infrastructure Projects (《房屋建築和市政基礎

設施工程竣工驗收規定》) promulgated by MOHURD implemented on December 2, 2013, after the completion of construction of a project, the real estate development enterprise must undergo inspection and receive relevant approvals from local authorities including planning bureaus, fire safety authorities and environmental protection authorities. The delivery of completed real estate is conditional upon passed inspection in accordance with requirements of Regulations on the Administration of Quality of Construction Works (《建設工程質量管理條例》).

The Regulations on the Administration of Quality of Construction Works (《建設工程質量管理條例》) was promulgated and implemented on January 30, 2000, and amended on October 7, 2017 and April 23, 2019. All construction projects in the PRC, including the establishment, expansion, improvement, demolition and other related activities, and the supervision and management of the quality of construction projects shall abide by such regulation. Under this regulation, construction projects shall include all civil engineering projects, construction works, installation of wires, pipes and equipment, and renovation works. All constructors, surveyors, designers, contractors and supervisors of the projects shall be responsible for the quality of the construction projects according to laws.

V. REGULATIONS ON REAL ESTATE TRANSFER AND SALE

(i) Sales of Commodity House

Under the Regulatory Measures on the Sales of Commodity House (《商品房銷售管理辦法》) (the "Regulatory Measures") promulgated by the Ministry of Construction on April 4, 2001 and implemented on June 1, 2001, sales of commodity house (The commodity house refers to the buildings that are developed by the real estate developers on the land parcels with the state-owned land use right obtained in accordance with relevant laws and regulations, for sale or lease to the public) can include both pre-completion sales (pre-sale) and post-completion sales.

(ii) Permit of Pre-sales of Commodity House

According to the Measures for Administration of Pre-sales of Urban Commodity House (《城市商品房預售管理辦法》) (the "Pre-sale Measures") promulgated by the Ministry of Construction on November 15, 1994 and amended on August 15, 2001 and July 20, 2004 respectively, any pre-sales of commodity house is subject to specified procedures. If a real estate development enterprise intends to sell commodity house before the consummation of construction, it shall apply to the real estate administrative authority to obtain a pre-sales permit.

According to the Pre-sale Measures, any real estate development enterprise shall submit the following certificates (photocopies) and materials for applying pre-sales permit: (1) An application for pre-sales of commodity house; (2) The business license and qualification certificate of the real estate development enterprise; (3) The land use right certificate, construction planning permit and construction commencement permit; (4) A certification proves that the ratio between the construction fund and the total investment of the construction project meets the prescribed conditions; (5) The project construction agreement and the explanations of the construction progress; and (6) The plan on pre-sales of commodity house. The plan on pre-sale should set out the information of the commodity house such as location, site area, dates of completion and delivery, and should also append the floor plan of commodity house.

Under the Pre-sale Measures and the Urban Real Estate Law, the pre-sale proceeds of commodity house shall be used to fund the property development of the relevant projects (用於有關的工程建設). Under the Pre-sale Measures, the real estate administration shall promulgate measures on the supervision of pre-sale proceeds. A property developer may be ordered to rectify any non-compliances within a prescribed period of time and imposed a fine that equals three times of its illegal gains but less than RMB30,000 per project if it fails to utilize pre-sales proceeds as required. The maximum penalty of RMB30,000 refers to the maximum penalty *a project* may be subject to, regardless whether the project is involved in one or more types of non-compliances in relation to pre-sale proceeds.

In addition, the Notice on Relevant Issues Concerning the Strengthening of Supervision and Improvement of the Pre-sales System of Commodity House (關於進一步加強房地產市場監管完善商品住房預售制度有關問題的通知) promulgated by the MOHURD on April 13, 2010, provides that the proceeds from pre-sales of commodity house shall be deposited in a bank account supervised by the competent regulatory authorities to ensure the proceeds would be used for funding the projects of the property development.

Regarding the legal regime of pre-sale proceeds management in the PRC, the applicable laws and regulations at the national level only set forth the general principles and legal framework. Pursuant to the Pre-sale Measures, MOHURD delegates the authority of formulating detailed requirements to relevant authorities at local level. The applicable laws and regulations at local level are generally formulated in line with the principles and framework at the national level, according to the PRC Legal Advisers, based on the results of consultation with MOHURD, as national-level laws only set forth the general principles, the relevant authorities at local level have been delegated the authority of interpreting such general principles and formulating detailed regulatory requirements. Set out below are the implementation rules promulgated by the local real estate administrative authorities at the provincial or city level.

Fujian (Fuzhou)

According to the Interim Measures on the Administration of Commodity House Pre-sale of Fujian Province (《福建省商品房預售管理暫行辦法》) promulgated by Construction Department of Fujian Province on December 14, 2005 and effective on January 1, 2006, purchasers shall directly deposit the pre-sale proceeds of the commodity house into the designated account for the pre-sale proceeds of the commodity house. Before the real estate development enterprise pays off the construction cost (excluding the quality warranty fund) for such development project, the pre-sale proceeds of the commodity house shall be used to purchase the construction materials and equipment necessary for the project construction, pay the project costs for the project construction, legal taxes and fees, and repay the loan for mortgage of the land use right or the project under construction, and shall not be diverted to other purposes. The above regulations also apply to Fuzhou and Fuqing of Fujian Province.

According to the Supervision and Administration Measures on Pre-sale Proceeds of Commodity House of Fuzhou (Trial) (《福州市商品房預售資金監管辦法（試行）》) jointly promulgated on July 22, 2020 and effective on same day by Housing and Urban-Rural Development Bureau of Fuzhou City (福州市城鄉建設局), Housing Security and Real Estate Management Bureau of Fuzhou City (福州市住房保障和房產管理局), Financial Work Office of Fuzhou(福州市金融工作辦公室) and Real Estate Registration and Trading Center (福州市不動產登記和交易中心), all the projects that obtain pre-sales permit for commodity house since the day of implementation should be included into the supervision scope of the pre-sale proceeds of commodity house. The pre-sale proceeds of new commodity house projects should be deposited into the escrow account. In principle, the pre-sale proceeds supervision limit (i.e. the key escrow funds) of new commodity house projects shall not be higher than 1.2 times of the total project cost, which in turn should be subject to the filed construction contracts. The key escrow funds are specially used to purchase the building materials and facilities required for the construction of the project, pay for construction progress of the project, and pay for the project design, survey, supervision, testing, ancillary facilities and other expenses related to the construction of the project, and may not be diverted to other purposes. After the pre-sale proceeds of commodity house deposited into the escrow account, the developer can apply to the supervision bank to withdraw the funds exceeding the key escrow funds.

Xi'an

According to the Notice on Issues Regarding the Further Strengthening Supervision and Administration of Pre-sale Proceeds of Commodity House (《關於進一步加強商品房預售資金監管有關問題的通知》) promulgated on November 15, 2011 and the Notice on Issues Regarding the Strengthening Supervision and Administration of Pre-sale Proceeds of Commodity House (《關於加強商品房預售資金監督管理有關問題的通知》) promulgated on November 18, 2014 by Xi'an Housing Security and Housing Administration Bureau, the pre-sale proceeds of commodity house shall be deposited in the escrow account, and developers shall not set up other accounts to collect and deposit the pre-sale proceeds of commodity house; supervision bank should conduct key monitor on the funds required for the construction of regulatory project, and implement dynamic management on the key escrow funds balance according to the total funds required for subsequent construction; before the regulatory projects meet the conditions for completion, delivery and, the pre-sale proceeds in the escrow account must be used for the follow-up construction of projects and may not be used for other purposes. For any failure to deposit or use pre-sale proceeds in accordance with relevant provisions, the competent authority will order the developers to rectify within a prescribed time limit, and inform the relevant departments to record its violations into credit files. For those serious violations, developers will be investigated for legal responsibility according to laws.

Chongqing

According to the Detailed Supervision and Administration Implementation Rules on the Utilization of Pre-sale Proceeds of Commodity House of Chongqing (《重慶市商品房預售資金首付款使用監管實施細則》) promulgated on July 12, 2018 by Chongqing Urban and Rural Construction Commission and Chongqing Urban Construction Comprehensive Development and Management Office, the down payment of the pre-sale projects shall be deposited into the escrow account in full and given priority for the construction of the pre-sale projects; the amounts of down payment under supervision shall be determined on the basis of 35% of the total pre-sale proceeds, and the specific proportion of supervision over the down payment shall be determined by the regulatory department according to the processes of the pre-sale project that have been completed before the pre-sale and the payment for the project costs. For any failure to complete the regulatory procedures for the utilization of down-payment with regulatory department in accordance with relevant provisions, or down payment being not used as required, or providing false information to evade supervision on down payment, relevant urban and rural construction administrative department will order the developers to rectify within a time limit, make public of those violations, and record in the enterprise credit information system at the same time. For developers who fail to rectify within the time limit, will be subject to penalty in accordance with relevant laws and regulations, and be restricted from going through the formalities in the city where its development projects are located. Certain property developers are not required to deposit the down payments portion of the pre-sale proceeds into the escrow account upon meeting certain requirements and subject to the approval of the relevant authority. Such property developers include (a) property developers holding the Real Estate Development Enterprise Qualification Certificate (Class I) (房地產開發企業資質證書(一級)) and having property projects in Chongqing; (b) top 100 property developers in the PRC based on the latest ranking published by

China Real Estate Association (中國房地產協會); and (c) top 30 property developers pursuant to a ranking published by the local government.

Shengyang

According to the Supervision and Administration Measures on Pre-sale proceeds of Commodity House of Shengyang (《瀋陽市商品房預售資金監管辦法》) promulgated on August 15, 2017, effective on August 22, 2017 and to be expired on August 21, 2022 by Real Estate Bureau of Shenyang, and the Detailed Implementation Rules on Supervision and Administration Measures on Pre-sale proceeds of Commodity Houses of Shengyang (《瀋陽市商品房預售資金監管辦法實施細則》) promulgated on May 15, 2018, the real estate developers shall assist the purchaser to deposit all the payments of commodity houses into the escrow account, and shall not collect the payments by itself by any other means. Real estate developers may, according to the construction progress of a single building in the pre-sale commodity house project, apply for the withdrawal of the corresponding proportion of funds according to the proportion of construction progress. The regulatory department may suspend the appropriation of pre-sale proceeds and order developers to rectify within a time limit under circumstances including failing to deposit all the housing payment into the escrow account as required, evading supervision in the name of collecting other payments, evading supervision by providing false information, or other violations of commodity house pre-sale proceeds supervision. For developers who fail to rectify as required, the relevant real estate bureau may close the function of printing the contract for the sale of commodity house online once such developer made relevant application.

Huai'an

According to the Interim Measures on the Supervision and Administration of Commodity House Pre-sale Proceeds of Huai'an (《淮安市商品房預售款監管暫行辦法》) promulgated on November 15, 2007 by Real Estate Management Bureau of Huai'an, the purchaser shall directly deposit the pre-sale proceeds into the escrow account for the escrow of the pre-sale proceeds of the commodity house, and the real estate developers shall not directly collect and deposit the pre-sale proceeds of the commodity house paid by the purchaser under any circumstances; the funds in the escrow account, prior to the release of the escrow account, shall be used to purchase the building materials and equipment necessary for the construction of the project, pay the construction progress funds, legal taxes and fees for the construction of the project and repay the bank loans of the project in proportion to the construction progress, and may not be diverted to other purposes. The relevant Real Estate Management Bureau shall order them to make rectification within a time limit and suspend the commodity house pre-sale under the circumstance that real estate developers fail to utilize the commodity house pre-sale proceeds as required, and may impose a fine of less than RMB30,000 in accordance with relevant provisions.

Zhejiang (Hangzhou)

According to the Interim Measures on the Supervision and Administration of Commodity House Pre-sale Proceeds of Zhejiang Province (《浙江省商品房預售資金監管暫行辦法》) promulgated on September 16, 2010 and effective on November 1, 2010 by the Department of Housing and Urban-Rural Development in Zhejiang Province, the pre-sale proceeds of the regulatory projects shall be directly deposit into the escrow account. The pre-sale funds, not less than 130% of the total budget inventory of regulatory projects shall be used for the relevant construction projects according to the supervision agreement on pre-sale proceeds. The real estate administrative department shall immediately stop the sales of the regulatory projects and order them to make rectification within a time limit under the circumstances that the real estate development enterprise defrauds construction funds, holds back and misappropriates purchaser's payment, or fails to deposit the payment into the escrow account. The real estate administrative department shall also record those misbehaviors in the credit archives of the enterprise and the Enterprise Credit Report System of the People's Bank of China. The above regulations also apply to Hangzhou of Zhejiang Province. In addition, according to the Detailed Supervision and Administration Implementation Rules on Hangzhou Commodity House Pre-sale Proceeds (《杭州市商品房預售資金監管實施細則》) promulgated on November 1, 2010 by the Real Estate Management Bureau in Hangzhou, the pre-sale proceeds of commodity house should be utilized for relevant project construction. On the basis of the utilization of funds required for the construction of the entire project is secure, when the pre-sale proceeds of commodity house in the escrow account exceed 130% of the total project budget inventory of the regulatory project, the excess part may be allowed to be deployed.

Yangzhou

According to the Interim Measures on the Supervision and Administration of Urban Commodity House sale Proceeds of Yangzhou (《揚州市市區商品房預售款監管暫行辦法》) promulgated on April 8, 2010 and effective on May 1, 2010, Detailed Rules for Supervision, Administration and Operation of Pre-sale Proceeds of Commodity House of Urban Area in Yangzhou (Trial)(《揚州市市區商品房預售款監管操作細則(試行)》) promulgated on April 29, 2010 and Notice on Further Promoting Supervision and Administration of Pre-sale Proceeds of Commodity House in Urban Area (《關於進一步做好市區商品房預售款監管工作的通知》) issued on July 26, 2013 by Yangzhou Housing Security and Real estate Management Bureau, the pre-sale proceeds of the commodity house that the real estate developer received shall be directly deposited into the corresponding designated escrow account for the pre-sale proceeds of the commodity house, and pre-sale proceeds may also be collected and remitted by the developer, but must be deposited on the same day. The total amount of the escrow funds (i.e. the key escrow funds) shall be the total amount of the regulatory target construction funds plus 20% of the total amount of the construction funds. The amount of regulatory funds may be reduced moderately according to the progresses of the project image. Prior to obtaining the Commodity House Delivery and Use Filing Certificate (《商品房交付使用備案證明》), the key escrow funds of commodity house , can only be used to purchase the construction materials and equipment necessary for the project construction, and pay the project construction progress funds and legal taxes and fees within the regulated amount, and may not be misappropriated for other purposes. The funds in the escrow account exceeding the key escrow funds are allowed to be withdrawn for use freely. The relevant Housing Security and Real Estate Management Bureau shall order rectification within a time limit and suspend the commodity house pre-sale under the circumstances that developer provides false declaration materials to open an escrow account for the pre-sale of commodity house, fails to use construction funds as required, fails to deposit the payment from the purchasers into account or other violations when using pre-sale proceeds of commodity house, and may impose a fine of less than RMB30,000 and also record those misbehaviors into the credit archives of the enterprise.

Tianjin

According to the Supervision and Administration Measures on Tianjin New Commodity House Pre-sale Proceeds (《天津市新建商品房預售資金監管辦法》) promulgated on June 7, 2016 and effective on August 1, 2016 by Tianjin Municipal People's Government, with validity period for 5 years, all the new commodity house pre-sale funds shall be deposited into the escrow account, and real estate developers shall not directly collect and deposit house payment. After each pre-sale fund depositing into the escrow account, the municipal Capital Escrow Center will calculate the limit of regulatory fund through the regulatory system and implement whole-process supervision and administration (i.e. the key escrow funds). Real estate developers can withdraw funds exceeding the key escrow funds by themselves and give priority to the construction related to its project. Bureau of Land Resources and Housing Management of Tianjin Municipality shall order real estate developers to make rectification under the circumstances that those enterprises fail to deposit the house payment into the escrow account, or fail to pay the project construction funds to the relevant units of the project construction. For any serious circumstances or any developers who refuse to correct, Bureau of Land Resources and Housing Management of Tianjin Municipality shall suspend the allocation of its regulatory funds, and may shut down the function of printing the sales contract for the sale of commodity house online in accordance with the relevant provisions.

Hefei

According to the Regulatory Measures on Hefei Commodity House Pre-sale Proceeds (《合肥市商品房預售資金監督管理辦法》) promulgated on April 26, 2018 by General Office of Hefei Municipal People's Government , with validity period lasting for 3 years, and the Detailed Supervision and Administration Implementation Rules on Hefei Commodity House Pre-sale Proceeds （《合肥市商品房預售資金監管實施細則》） promulgated on January 10, 2020 by Housing Security and Real Estate Management Bureau, with validity period lasting for 2 years, commodity house pre-sale proceeds should be directly deposited into the corresponding designated escrow account. The pre-sale proceeds deposited into escrow account is categorized into key escrow funds and general escrow funds. Key escrow funds refer to construction expense incurred for the project satisfying the delivery conditions, which are used to purchase necessary building materials, facilities and to pay for construction progress; general escrow funds refer to the funds beyond key escrow funds. The regulatory department shall order rectification within a time limit and suspend the commodity house pre-sale and the appropriation of pre-sale funds under the circumstances that real estate developer fails to use according to relevant provisions or embezzle the funds in the designated regulatory account of the commodity house pre-sale proceeds and directly collects the pre-sale funds of commodity house pre-sale. The regulatory department will also punish them in accordance with the Measures for Administration of Pre-sales of Urban Commodity House (《城市商品房預售管理辦法》), and record the matters as misbehaviors into the credit files.

Suzhou

According to the Notice on Administrative Measures of the Monetary Fund of the Real Estate Projects in Suzhou （《市政府關於印發蘇州市房地產項目貨幣資本金管理辦法的通知》） issued by the Suzhou Municipal People's Government on May 21, 2010, the local real estate administrative authority implements the supervision of monetary capital with respect to the property development projects, the monetary capital shall be deposited by the real estate developers before obtaining the construction permit, and used and withdrawn in accordance with construction progress.

Suining

According to the policy documents issued by General Office of Suining Municipal People's Government on May 7, 2020, the real estate developers shall deposit the escrow funds according to the GFA sold into a designated party's accounts after signing the pre-sale contracts, the relevant authorities may release the escrow funds at ratio in accordance with the construction progress.

(iii) Conditions of the Sales of Post-Completion Commodity Buildings

Under the Regulatory Measures, commodity buildings may be put to post-completion sale only when the following preconditions have been satisfied: (1) the real estate development enterprise shall have a business license and a qualification certificate of a real estate developer; (2) the enterprise shall obtain a land use right certificate or other approval documents for land use; (3) the enterprise shall have the construction work planning permit and construction work commencement permit; (4) the building shall have been completed, inspected and accepted as qualified; (5) the relocation of the original residents shall have been well completed; (6) the supplementary essential facilities for supplying water, electricity, heating, gas, communication, etc. shall have been made ready for use, and other supplementary essential facilities and public facilities shall have been made ready for use, or the schedule of construction and delivery date shall have been specified; and (7) the property management plan shall have been completed.

Before the post-completion sales of a commodity building, a real estate developer shall submit the Real Estate Development Project Manual and other documents evidencing the satisfaction of preconditions for post-completion sale to the real estate development authority.

(iv) Mortgage on Real Estate

Under the Urban Real Estate Law, the Guarantee Law of the People's Republic of China (《中華人民共和國擔保法》) promulgated by the SCNPC on June 30, 1995 and implemented on October 1, 1995, and the Measures on the Administration of Mortgages of Real Estate in Urban Areas (《城市房地產抵押管理辦法》) issued by the Ministry of Construction on May 9, 1997, effective on June 1, 1997 and amended on August 15, 2001, land use rights, the buildings and other attachments on the ground may be mortgaged. When a mortgage is created on a building legally obtained, a mortgage shall be simultaneously created on the land use rights of the land on which the building is situated. The mortgager and the mortgagee shall sign a mortgage contract in writing. A system has been adopted to register the mortgages of real estate. Within 30 days after a real estate mortgage contract has been signed, the contract parties shall register the mortgage with the real estate administration authority at the location where the real estate is situated. If a mortgage is created on the real estate in respect of which a property ownership certificate has been obtained legally, the registration authority shall make an entry under the third party rights item on the original property ownership certificate and issue a Certificate of Third Party Rights to a Building to the mortgagee.

(v) Lease of Buildings

Pursuant to the Administrative Measures for Commodity Housing Leasing (《商品房屋租賃管理辦法》) promulgated on December 1, 2010 and effective as of February 1, 2011, the parties to a real estate lease shall apply for lease registration with the competent construction (real estate) departments of the municipalities directly under the Central Government, cities and counties where the housing is located within 30 days after the lease contract is signed. There will be a fine below RMB1,000 on individuals who fail to make corrections within the specified time limit, and a fine between RMB1,000 and RMB10,000 on enterprises when fail to make corrections within the specified time limit. According to the Urban Real Estate Law, where the owner of a building leases, with a profit-making objective, buildings on State-owned land for which the land use right is granted to the owner of the building by way of allocation, the gains on land included in the rental shall be turned over to the State.

(vi) New Property Law

On March 16, 2007, the 5th Session of the 10th NPC adopted the Property Rights Law of the People's Republic of China (《中華人民共和國物權法》) (the "**New Property Law**"), which took effect on October 1,

2007. There are various clauses in the New Property Law to strengthen the protection on the rights of the house owners:

Article 89 of the New Property Law requests that “the construction of a building shall not violate the relevant provisions of the State on project construction, nor obstruct the air circulation, sunlight or daylight of any neighboring building”, which protects house owners’ right to enjoy sunlight and prevents house developers from illegal constructions; and

Article 81 of the New Property Law grants house owners the right to manage by themselves the building and its ancillary facilities and replace the property management company or any other manager engaged by the house developer. This clause reinforces the independent rights of house owners to manage their own community.

The New Property Law further widens the scope of assets that can be mortgaged, allowing for any asset associated with property rights to be mortgaged as collateral unless a specific prohibition under another law or regulation applies.

(vii) Real Estate Registration

The Interim Regulations on Real Estate Registration (《不動產登記暫行條例》) promulgated by the State Council on November 24, 2014, enforced on March 1, 2015 and newly amended on March 24, 2019, and the Implementation Rules of the Interim Regulations on Real Estate Registration (《不動產登記暫行條例實施細則》) promulgated by the Ministry of Land and Resources on January 1, 2016 and newly amended on July 16, 2019, provide that, among other things, the State implements a uniform real estate registration system and the registration of real estate shall be strictly managed and shall be carried out in a stable and continuous manner that provides convenience for people.

VI. MEASURES ON HOME PURCHASE RESTRICTION AND STABILIZING HOUSING PRICES

(i) National Level Laws and Regulations in Relation to The Housing Price Control Measures

On January 7, 2010, the General Office of the State Council issued the Notice on Accelerating a Stable and Healthy Development in the Real Estate Market (《關於促進房地產市場平穩健康發展的通知》), which stipulates: (1) Increase the effective supply of security housing and common commercial housing; (2) Reasonably steer housing consumption and suppress speculative house purchasing demand; (3) Strengthen risk prevention and market supervision; and (4) Quicken the security comfort housing project construction.

According to the Guiding Opinions on Construction and Administration of Comfort Housing Project (《關於保障性安居工程建設和管理的指導意見》) promulgated by the General Office of the State Council on September 28, 2011, the comfort housing project includes public rental housing, affordable housing, price-restricted commodity housing, renovation of shantytowns and renovation of rural dilapidated housing.

On April 17, 2010, the State Council issued the Notice on Restraining Resolutely the Soaring of Housing Prices in Some Cities (《關於堅決遏制部分城市房價過快上漲的通知》), which requires that: Each district and each department practically implement their duty to stabilize property prices and residential housing guarantees; and unreasonable housing demands should be strictly restricted and stricter differentiating credit policies should be implemented.

The Provisions on Sales of Commodity Properties at Clearly Marked Price (《商品房銷售明碼標價規定》) was promulgated by the NDRC on March 16, 2011 and became effective on May 1, 2011. According to such provisions, with respect to the real estate development projects that have received property pre-sale permit or have completed the filing procedures for the sales of constructed properties, real estate operators shall announce all the commodity properties available for sales on at once within the specified time limit, and the real estate development projects shall be sold strictly at the prices reported and definitely posted.

On February 26, 2013, the General Office of the State Council issued the Notice on Further Regulation of Real Estate Market (《關於繼續做好房地產市場調控工作的通知》) which is intended to cool down the property market and emphasize the government's determination to strictly enforce regulatory and macro-economic measures, which include, among other things, (1) restrictions on purchase, (2) increased down payment requirement for second residential properties purchase, (3) suspending mortgage financing for second or more residential-properties purchase, (4) 20% individual income tax rate applied to the gain from the sales of properties.

In accordance with the Notice on Adjusting the Preferential Policies on Deed Tax and Business Tax During Real Estate Transactions (《關於調整房地產交易環節契稅、營業稅優惠政策的通知》), jointly promulgated by MOF, SAT and MOHURD on February 17, 2016 and implemented on February 22, 2016, (1) the purchase of a property by an individual as the only house for his/her family (covering the purchaser and the spouse and minor children thereof) is subject to deed tax at a reduced rate of 1% if the area of the house is 90 square meters or less, or 1.5% if the area is over 90 square meters, and (2) the purchase of a second house by an individual for making house improvements for his/her family is subject to deed tax at a reduced rate of 1% if the area of the house is 90 square meters or less, or 2% if the area is over 90 square meters. Meanwhile, the Notice specifies that the sale of a house that has been purchased by an individual for less than two years is subject to business tax at a full rate; and the sale of a house that has been purchased by an individual for two years or more is exempted from business tax. In addition, the Notice stresses that certain preferential business tax policies shall not apply to Beijing Municipality, Shanghai Municipality, Guangzhou City and Shenzhen City for the time being.

In accordance with the Circular of the MOHURD and the Ministry of Land and Resources Ministry of Land and Resources on Strengthening the Administration and Regulation of Recent Housing and Land Supply (《住房城鄉建設部、國土資源部關於加強近期住房及用地供應管理和調控有關工作的通知》), promulgated and implemented on April 1, 2017 by the MOHURD and the Ministry of Land and Resources, in cities that have prominent contradictions between housing supply and demand or that face overheating markets, the supply of residential land, in particular those lands for ordinary commercial houses, shall be increased reasonably. In cities with heavy workloads of destock housing inventory, the supply of residential land shall be reduced or even suspended. All the local authorities shall build an inspection system to ensure that the real estate developers are using their own legal funds to purchase land.

In addition, the Chinese government has also introduced a series of policies by restricting housing loans to restrict home purchases. See "Regulatory Overview — VII. REGULATIONS ON REAL ESTATE FINANCING — (iii) Housing Loans to Individual Buyers."

(ii) Local Level Laws and Regulations in Relation to The Housing Price Control Measures

Hangzhou

Pursuant to the Notice on Further Promoting a Stable and Healthy Development of the Real Estate Market (《關於進一步促進房地產市場穩定健康發展的通知》) jointly promulgated by Hangzhou Housing Security and

Real Estate Administration Bureau, Hangzhou Urban-Rural Development Commission and Hangzhou Bureau of Price and other five government authorities on October 30, 2014, prices of commodity housing must be clearly marked, a house with fixed price and the prices must be filed. If the actual prices are higher than the recorded prices, or 15% below the recorded prices, adjustments to the recorded price should be reported to bureau of price. Pursuant to Opinions on Further Strengthening and Improving Supervision of Sales Price of Commodity House (《關於進一步加強和完善商品住房銷售價格行為監管的意見》) promulgated by Hangzhou Coordination Group for Sustainable and Healthy Development of Real Estate Market on April 28, 2018, real estate developers shall file the prices with competent authority and comply with the guidelines on price policy before applying for commodity property pre-sales permit, failing which, the competent authority may refuse the filing.

Xi'an

According to the Notice on Implementation of Reporting of Sales price of Commodity House (《關於實施商品住房銷售價格申報的通知》) promulgated on September 13, 2017 by Xi'an Housing Security and Housing Administration Bureau, all real estate development enterprises must report to and file with competent departments in respect of new commodity houses that located within Xincheng District, Beilin District, Lianhu District, Yanta District, Weiyang District, Baqiao District, Chang 'an Administrative Area and planning regions including High-tech Zone, Economic Development District, Qujiang New District, Chanba Ecological District and other development zones; the development enterprises shall report the pre-sale price to the price bureau when applies for the commodity house pre-sale permit.

Chongqing

According to the Notice on Further Strengthening Regulation of the Real Estate Market (《關於進一步加強房地產市場調控工作的通知》) promulgated on June 22, 2018 by the General Office of the Chongqing Municipal People's Government, it is necessary to unswervingly persist in and closely follow the objective of regulation and control; see that the responsibility for regulation and control to be fulfilled to increase the effective supply of commodity house, strike a balance between supply and demand and give support to the rigid housing requirement by resolutely curbing housing speculation.

Fuzhou

According to the Notice on Further Regulating the Sale of Commodity House (《關於進一步規範商品房銷售行為的通知》) jointly promulgated on August 3, 2017 by Housing Security and Real Estate Management Bureau of Fuzhou City (福州市住房保障和房產管理局), Fuzhou Bureau of Price (福州市物價局) and other departments, all real estate developers shall strictly comply with the record filing system for commodity house prices and the commodity house shall be sold strictly at the price recorded.

Shanghai

According to the Notice of Shanghai Municipal Commission of Housing and Urban-rural Development on Further Strengthening the Regulation of Sales of Commodity House and Standardizing the Market Order (《上海市住房和城鄉建設管理委員會關於進一步加強商品房銷售監管規範市場秩序相關工作的通知》) promulgated by Shanghai Municipal Commission of Housing and Urban-rural Development (上海市住房和城鄉建設管理委員會) on July 20, 2017, real estate developers shall strictly implement the system of pricing in plain figures, and the commodity house shall be sold strictly at the price recorded but not allowed to sell at a price exceeding the price recorded.

VII. REGULATIONS ON REAL ESTATE FINANCING

(i) Financing Real Estate Development and Acquisition

Pursuant to the Guidance on Risk Management of Real Estate Loans of Commercial Banks (《商業銀行房地產貸款風險管理指引》) issued by the CBRC on August 30, 2004, any real estate developer applying for real estate development loans shall have at least 35 percent of capital required for the development. No loans shall be granted to projects which have not obtained requisite land use right certificates, construction land planning permits, construction works planning permits and construction work commencement permits. In addition, the guideline provides that commercial banks shall set up strict approval systems for granting loans.

On July 29, 2008, PBOC and CBRC jointly issued the Notice on Promoting Economical and Intensive Use of Land through Finance (《關於金融促進節約集約用地的通知》). Banks shall provide financial support preferentially to the projects with economical and intensive use of land, such as the development of low-rent housing, economically affordable housing, price-capped housing and small to medium-sized ordinary commercial housing with a total GFA of less than 90 sq.m. The banks are prohibited from granting loans to the property developers for payment of land premium. This notice emphasizes tightening the policy requirements and management of loans to certain projects, including:

Reinforcing the management of loans for construction projects. The banks are prohibited from providing loans to (1) the projects which do not meet the relevant planning and control requirements, (2) the projects which have illegal land use and (3) the projects for which the relevant land falls into the catalog of banned land use projects. Where a loan has already been granted to such a project, it must be gradually recovered provided that necessary protection measures have been taken. A financial institution must exercise caution in granting a loan to the projects which falls into the catalog of restricted land use projects;

Tightening the examination and approval of loans for municipal infrastructure and industrial land projects;

Strengthening the management of loans for rural collective construction land use projects. The banks are prohibited from providing loans to the commercial projects which use rural collective land; and

Enhancing the management of credit for commercial property development projects. With respect to loans provided for land reservation in the form of mortgage, a legal land use right certificate must be obtained. In addition, the maximum mortgage ratio must not exceed 70% of the appraised value of the underlying collateral and, in principle, the term of loan must not exceed two years. When the relevant land and resource authority confirms that an enterprise has developed less than 1/3 of the site area of land or has invested less than 1/4 of the total investment for the project or hasn't commenced the project after one year from the date of construction commencement as stipulated in the land grant contract, the banks must exercise caution in granting loans to the enterprise and strictly control extended loans or rolling credits to it. The banks are prohibited from granting of loans to property developers whose land has been idle for more than two years as confirmed by the relevant land and resource authority or loans taking such idle land as security (including asset preservation business).

On September 29, 2010, the PBOC and the CBRC jointly issued the Notice on Relevant Issues Regarding the Improvement of Differential Mortgage Loan Policies (《關於完善差別化住房信貸政策有關問題的通知》), which restricts the grant of new project bank loans or extension of credit facilities for all property companies with non-compliance records regarding, among other things, holding idle land, changing land use and nature of the land, postponing construction commencement or completion, or hoarding properties.

(ii) Trust Financing

On March 1, 2007, Measures for the Administration of Trust Companies (《信託公司管理辦法》), which was promulgated by China Banking Regulatory Commission (the "**CBRC**") on January 23, 2007, came into effect. For the purposes of these measures, "Trust Company" shall mean any financial institution established pursuant to the PRC Company Law and these Measures, and that primarily engages in trust activities.

From October 2008 to November 2010, the CBRC issued several regulatory notices in relation to real estate activities conducted by Trust Financing Companies, including a Circular on Relevant Matters Regarding Strengthening the Supervision of the Real Estate and Securities Businesses of Trust Companies (《關於加強信託公司房地產、證券業務監管有關問題的通知》), promulgated by the CBRC on October 28, 2008 and effective beginning the same date, pursuant to which Trust Financing Companies are restricted from providing trust loans, in form or in nature, to property projects that have not obtained the requisite land use right certificates, construction land planning permits, construction work planning permits and construction work commencement permits and the property, projects of which less than 35% of the total investment is funded by the property developers' own capital (the 35% requirement was changed to 20% for affordable housing and ordinary commodity apartments, and to 25% for other property projects as provided by the Notice of the State Council on Adjusting and Improving the Capital System for Fixed Assets Investment Projects (《國務院關於調整和完善固定資產投資項目資本金制度的通知》)).

(iii) Housing Loans to Individual Buyers

On April 17, 2010, the State Council issued the Notice on Strictly Restraining the Excessive Growth of the Property Prices in Some Cities (《關於堅決遏制部分城市房價過快上漲的通知》), pursuant to which, a stricter differential housing credit policy shall be enforced. It provides that, among other things, (1) for a family member who is a first-time home purchaser (including the debtors, their spouses and their juvenile children, similarly hereinafter) of the apartment with a GFA more than 90 sq.m., a minimum 30% down payment shall be paid; (2) for a family who applies loans for its second house, a minimum 50% down payment requirement shall be paid and also provides that the applicable interest rate must be at least 1.1 times that of the corresponding benchmark interest rate over the same corresponding period published by the PBOC; and (3) for those who purchase three or more houses, even higher requirements on both down payments and interest rates shall be levied. In addition, the banks may, based on their risk conditions, suspend housing loans to third or more home buyers in places where commercial housing prices rise excessively, the prices are rapidly high and housing supply is insufficient.

The Notice on Certain Matters Concerning Individual Housing Loan Policies (《關於個人住房貸款政策有關問題的通知》) promulgated by PBOC, MOHURD and CBRC on March 30, 2015 and became effective on the same date provides that where a household, which has already owned a house and has not paid off the relevant housing loan, applies for another commercial personal housing loan to purchase another ordinary housing property for the purpose of improving living conditions, the minimum down payment is adjusted to 40% of the property price. The actual down payment ratio and loan interest rate should be determined by the banking financial institution concerned based on the borrower's credit record and financial condition. For working households that have contributed to the housing provident fund, when they use the housing provident fund loans to purchase an ordinary residential house as their first house, the minimum down payment shall be 20% of the house price; for working households that have contributed to the housing provident fund and that have already owned a home and have paid off the corresponding home loans, when they apply for the housing provident fund loans for the purchase of an ordinary residential house as their second property to improve their housing conditions, the minimum down payment shall be 30% of the property price. The Notice of the People's Bank of

China and the China Banking Regulatory Commission on Further Improving Differentiated Housing Credit Lending Policies (《關於進一步完善差別化住房信貸政策有關問題的通知》) issued by PBOC and CBRC on September 24, 2015, provides that in cities where control measures on property purchase are not imposed, where a household applies for the commercial personal housing loan to purchase his/her first ordinary housing property, the minimum down payment shall be adjusted to 25% of the house price. The minimum down payment ratio for the commercial personal housing loan of each city will be independently determined by each provincial pricing self-disciplinary mechanism of market interest based on the actual situation of each city under the guidance of PBOC and the CBRC local office.

The Notice on Adjustments in Respect of Certain Matters Concerning Individual Housing Loan Policies (《關於調整個人住房貸款政策有關問題的通知》), promulgated by PBOC and CBRC on February 1, 2016, provides that in the cities that control measures on property purchase are not imposed, where a household applies for the commercial personal housing loan to purchase its first ordinary housing property, the minimum down payment, in principle, shall be 25% of the property price and each city could adjust such ratio downwards by 5%; and where a household which has already owned a house and has not paid off the relevant housing loan, applies for another commercial personal housing loan to purchase another ordinary housing property for the purpose of improving living conditions, the minimum down payment is adjusted to 30% of the property price. In the cities that control measures on property purchase are imposed, the individual housing loan policies shall be adopted in accordance with the original regulations, and the actual down payment ratio and loan interest rate shall be determined reasonably by the banking financial institutions based on the requirements of minimum down payment ratio determined by provincial pricing self-disciplinary mechanism of market interest, the loan-issuance policies and the risk control for commercial personal housing loan adopted by such banking financial institutions and other factors such as the borrower's credit record and capacity of repayment.

VIII. REGULATIONS ON FIRE PREVENTION MANAGEMENT

According to the Fire Prevention Law of the People's Republic of China (《中華人民共和國消防法》) promulgated by the SCNPC on April 29, 1998 and implemented on September 1, 1998, later amended on October 28, 2008 and implemented on May 1, 2009, and newly amended on April 23, 2019, fire prevention facilities design and works for construction projects shall conform to state's fire prevention technical standards for engineering construction.

The Supervision and Administration of Fire Prevention of Construction Projects (《建設工程消防監督管理規定》), promulgated by the Ministry of Public Security of the People's Republic of China (中華人民共和國公安部) on April 30, 2009, implemented on May 1, 2009 and later amended on July 17, 2012 and implemented on November 1, 2012, shall apply to the fire prevention supervision and administration of new construction, expansion, reconstruction (including indoor and outdoor improvement, thermal insulation in buildings and modification of uses) and other construction projects. This provision also specify the procedure and standard for review of fire facilities design and acceptance of fire prevention facilities.

IX. REGULATIONS ON CIVIL AIR DEFENSE PROPERTY

Pursuant to the PRC Law on National Defense (《中華人民共和國國防法》) promulgated by the SCNPC on March 14, 1997, as amended on August 27, 2009, national defense assets are owned by the State. Pursuant to the PRC Law on Civil Air Defense (《中華人民共和國人民防空法》) (the "**Civil Air Defense Law**"), promulgated by the SCNPC on October 29, 1996, as amended on August 27, 2009, civil air defense is an integral part of national defense. The Civil Air Defense Law encourages the public to invest in construction of civil air defense property and investors in civil air defense are permitted to use (including lease), manage the civil air defense property in time of peace and profit therefrom. However, such use may not impair their functions as air defense property. The design, construction and quality of the civil air defense properties must conform to the protection and quality standards established by the State. On November 1, 2001, the National Civil Air Defense Office issued the Administrative Measures for Developing and Using the Civil Air Defense Works at Ordinary Times (《人民防空工程平時開發利用管理辦法》) and the Administrative Measures for Maintaining the Civil Air Defense Works (《人民防空工程維護管理辦法》), which specify how to use, manage and maintain the civil air defense property.

X. REGULATIONS ON ENVIRONMENTAL PROTECTION

The laws and regulations governing the environmental requirements for real estate development in the PRC include the Environmental Protection Law of the People's Republic of China (《中華人民共和國環境保護法》), the Prevention and Control of Noise Pollution Law of the People's Republic of China (《中華人民共和國環境噪聲污染防治法》), the Environmental Impact Assessment Law of Peoples Republic of China (《中華人民共和國環境影響評價法》), the Administrative Regulations on Environmental Protection of Construction Projects (2017 revision) (《建設項目環境保護管理條例》)(2017年修訂) and the Administrative Regulations on Environmental Protection for Acceptance Examination Upon Completion of Buildings (《建設項目竣工環境保護驗收管理辦法》). Pursuant to these laws and regulations, depending on the impact of the project on the environment, an environmental impact study report, an environmental impact report form or an environmental impact registration form shall be submitted by a developer before the relevant authorities will grant approval for the commencement of construction of the property development. In addition, upon completion of the property development, the relevant environmental authorities will also inspect the property to ensure compliance with the applicable environmental standards and regulations before the property can be delivered to the purchasers.

XI. REGULATIONS ON LABOR AND SOCIAL SECURITY

On June 29, 2007, the SCNPC promulgated the PRC Labor Contract Law (《中華人民共和國勞動合同法》), which became effective on January 1, 2008, amended on December 28, 2012 and became effective on July 1, 2013. Pursuant to the PRC Labor Contract Law and the PRC Labor Law (《中華人民共和國勞動法》), which became effective on January 1, 1995, amended on August 27, 2009 and newly amended on December 29, 2018, (1) employers must execute written labor contracts with full-time employees, (2) employers are prohibited from forcing employees to work overtime unless they pay overtime payment to the employees and the hours worked beyond the standard working hours are within the statutory limits, (3) employers are required to pay salaries to employees in full and on time and the salaries paid to employees shall not be lower than the local minimum salary standard, and (4) employers shall establish its work safety and sanitation system, and provide employees with workplace safety training. In addition, in accordance with the relevant laws and regulations on social security, employers in the PRC are required to make contributions to various social insurances (including medical, pension, unemployment, work-related injury and maternity insurance) and the housing fund on behalf its employees.

Pursuant to the Social Insurance Law of the PRC (《中華人民共和國社會保險法》) (the "**New Social Insurance Law**") promulgated on October 28, 2010 by the SCNPC and implemented on July 1, 2011, and amended on December 29, 2018, the Interim Regulations Concerning the Collection and Payment of Social Insurance Premiums (《社會保險費徵繳暫行條例》) promulgated and implemented on January 22, 1999 and amended on March 24, 2019 by the State Council, the Interim Measures Concerning the Maternity Insurance of Employees of Enterprises (《企業職工生育保險試行辦法》) promulgated on December 14, 1994 and implemented on January 1, 1995 by former Ministry of Labor, the Regulation on the Administration of Housing Provident Fund (《住房公積金管理條例》) promulgated and implemented on April 3, 1999 and amended on March 24, 2002 and March 24, 2019 by the State Council, the Regulation on Occupational Injury Insurances (《工傷保險條例》) promulgated on April 27, 2003 by the State Council and implemented on January 1, 2004 and amended on December 20, 2010 by the State Council, and regulations on pension insurance, medical insurance and unemployment insurance in the provincial and municipal level, the employer shall pay pension insurance fund, basic medical insurance fund, unemployment insurance fund, occupational injury insurance fund, maternity insurance fund and housing fund for the employees. Where an employer fails to pay social insurance premiums on time or in full amount, it will be ordered by the collection agency of social insurance premiums to pay or make up the deficit of premiums within a prescribed time limit, and a daily late fee at the rate of 0.05% of the outstanding amount from the due date will be imposed; and if it still fails to pay the premiums within the prescribed time limit, a fine of 1 to 3 times the outstanding amount might be imposed by the relevant administrative department. When an employer fails to pay up housing provident fund contributions in full amount as due, the housing provident fund administrative on office shall order such enterprise to pay up within a prescribed time limit; where the payment and deposit has not been made after the expiration of the time limit, an application may be made to a people's court for compulsory enforcement.

XII. REGULATIONS ON TAXATION

(i) Income Tax

According to the Enterprise Income Tax Law of the People's Republic of China (《中華人民共和國企業所得稅法》) ("**EIT Law**") enacted by the NPC on March 16, 2007, amended on February 24, 2017 and newly amended on December 29, 2018, a unified income tax rate of 25% will be applied towards domestic and foreign-invested enterprises. Under the EIT Law, a resident enterprise, which refers to an enterprise that is established inside the PRC, or which is established under the law of a foreign country (region) but whose actual management organization is inside the PRC, shall pay enterprise income tax in relation to the income originating both within and outside the PRC. A non-resident enterprise refers to an enterprise established under the law of a foreign country (region), whose actual management organization is not inside the PRC but which has offices or establishments inside the PRC; or which does not have any offices or establishments inside the PRC but has incomes sourced in the PRC. While non-resident enterprises that have set up institutions or establishments in the PRC shall pay enterprise income tax in relation to the income originating from the PRC and obtained by their institutions or establishments, and the income incurred outside the PRC but there is an actual relationship with the institutions or establishments set up by such enterprises.

Pursuant to the EIT Law and the Implementation Rules on the Enterprise Income Tax of the PRC (《中華人民共和國企業所得稅法實施條例》) promulgated by the State Council on December 6, 2007 and effective on January 1, 2008, and amended on April 23, 2019, enterprise income tax at the rate of 10% shall be levied on any dividend payable by foreign-invested enterprises to their non-resident enterprise investors.

In addition, pursuant to the Arrangement between Mainland China and Hong Kong for the Avoidance of Double Taxation and Prevention of Fiscal Evasion with respect to Taxes on Income (《內地和香港特別行政區關於對所得避免雙重徵稅和防止偷漏稅的安排》) signed on August 21, 2006, a company incorporated in Hong Kong will be subject to withholding income tax at a rate of 5% on the total dividends it receives from its PRC subsidiaries if it holds a 25% or more of equity interest in each such PRC subsidiary at the time of the distribution, or 10% if it holds less than a 25% equity interest in that subsidiary. According to the Notice of the State Administration of Taxation, or SAT on issues regarding the Administration of Dividend Provisions in Tax

Treaties (《國家稅務總局關於執行稅收協定股息條款有關問題的通知》), which was promulgated on February 20, 2009, recipients of dividends paid by PRC resident enterprises must satisfy certain requirements in order to obtain a preferential income tax rate pursuant to a tax treaty. One such requirement is that the taxpayer must be the "beneficiary owner" of relevant dividends. In order for a corporate recipient of dividends paid by a PRC enterprise to enjoy preferential tax treatment pursuant to a tax treaty, such recipient must be the direct owner of a certain proportion of the share capital of the PRC enterprise at all times during the 12 months preceding its receipt of the dividends. On August 27, 2015, SAT issued the Announcement of the State Administration of Taxation on Promulgation of the "Administrative Measures on Entitlement of Non-residents to Treatment under Tax Treaties" (國家稅務總局關於發佈《非居民納稅人享受稅收協定待遇管理辦法》的公告), effective on November 1, 2015, and revised on June 15, 2018, which applies to entitlement to tax treaty benefits by non-resident taxpayers incurring tax payment obligation in the PRC. According to the Administrative Measures on Entitlement of Nonresidents to Treatment under Tax Treaties, non-resident taxpayers who make their own declaration shall make self-assessment regarding whether they are entitled to tax treaty benefits and submit the relevant reports, statements and materials stipulated in Article 7 of the Measures. Also, all levels of tax authorities shall, through strengthening follow-up administration for non-resident taxpayers' entitlement to tax treaty benefits, implement tax treaties and international transport agreements accurately, and prevent abuse of tax treaties and tax evasion and tax avoidance risks.

(ii) Value-added Tax

Pursuant to the Provisional Regulations on Value-added Tax of the PRC (《中華人民共和國增值稅暫行條例》) promulgated on December 13, 1993 and last amended on November 19, 2017 and its implementation rules, all entities or individuals within the territory of the PRC engaging in the sale of goods, the provision of processing, repairs and replacement services, sale of services, intangible assets, immovables and the importation of goods are required to pay value-added tax.

According to the Interim Administrative Measures on the Management of Levying and Collection of Value-Added Tax on sale of Self-developed Real Estate Project by the Real Estate Developers (《房地產開發企業銷售自行開發的房地產項目增值稅徵收管理暫行辦法》) issued on March 31, 2016, implemented on May 1, 2016 and revised on June 15, 2018 by SAT, real estate developer shall pay value-added tax for the sales of its self-developed real estate project.

Circular regarding the Pilot Program on Comprehensive Implementation of Value-Added Taxes from Business Taxes Reform (《關於全面推開營業稅改徵增值稅試點的通知》), promulgated by MOF and SAT on March 23, 2016 and implemented on May 1, 2016 provides that upon approval by the State Council, the pilot program of replacing business tax with value-added tax shall be implemented nationwide effective from May 1, 2016 and all business tax payers in construction industry, real estate industry, finance industry and consumer service industry, etc. shall be included in the scope of the pilot program and pay value-added tax instead of business tax. According to the appendix of this circular (the Annotations of Sale of Services, Intangible Assets, Immovables), entities and individuals engaging in the sale of services, intangible assets or real property within the territory of the People's Republic of China shall be the taxpayers of value-added tax (the "**Value-added Tax**") and shall, instead of business tax, pay value-added tax in accordance with the Measures for Implementation of the Pilot Program on Levying Value-added Tax in Place of Business Tax (《營業稅改徵增值稅試點實施辦法》). The sales of real property and the secondhand housing transaction shall adopt this circular. Under the Decision of State Council on Abolition of the Provisional Regulations of the People's Republic of China on Business Tax and Revision of the Provisional Regulations of the People's Republic of China on Value-added Tax (《國務院關於廢止<中華人民共和國營業稅暫行條例>和修改<中華人民共和國增值稅暫行條例>的

決定》) which was promulgated on November 19, 2017 and came into effect on the same day, business tax is officially replaced by value-added tax.

(iii) Land Appreciation Tax

In accordance with the requirements of the Provisional Regulations of the PRC on Land Appreciation Tax (《中華人民共和國土地增值稅暫行條例》) (the "**Land Appreciation Tax Provisional Regulations**") promulgated on December 13, 1993, implemented on January 1, 1994 and amended on January 8, 2011, and the Detailed Implementation Rules on the Provisional Regulations of the PRC on Land Appreciation Tax (《中華人民共和國土地增值稅暫行條例實施細則》) which were promulgated and implemented on January 27, 1995, land appreciation tax is payable on the appreciation value derived from the transfer of land use rights and buildings or other facilities on such land, after deducting the deductible items.

(iv) Deed Tax

Pursuant to the Interim Regulations of the People's Republic of China on Deed Tax (《中華人民共和國契稅暫行條例》) promulgated by the State Council on July 7, 1997 and implemented on October 1, 1997, and amended on March 2, 2019, the transferee, whether an individual or otherwise, of the title to a land site or building in the PRC shall be subject to the payment of deed tax. The rate of deed tax is 3 percent to 5 percent. The governments of provinces, autonomous regions and municipalities directly under the central government may, within the aforesaid range, determine and report their effective tax rates to the MOF and the SAT for record.

The Notice of the MOF, the SAT and the MOHURD on Adjusting the Preferential Policies on Deed Tax and Business Tax during Real Estate Transactions (《財政部、國家稅務總局、住房城鄉建設部關於調整房地產交易環節契稅、營業稅優惠政策的通知》) promulgated on February 17, 2016 and effective on February 22, 2016 provides that: the purchase of a property by an individual as the only house for his/her family (covering the purchaser and the spouse and minor children thereof) is subject to deed tax at a reduced rate of 1% if the area of the house is 90 sq.m. or less, or 1.5% if the area is over 90 sq.m.; and the purchase of a second house by an individual for making house improvements for his/her family is subject to deed tax at a reduced rate of 1% if the area of the house is 90 sq.m. or less, or 2% if the area is over 90 sq.m.

(v) Urban Land Use Tax

Pursuant to the Provisional Regulations of the People's Republic of China Governing Land Use Tax in Urban Areas (《中華人民共和國城鎮土地使用稅暫行條例》) promulgated by the State Council on September 27, 1988, implemented on November 1, 1988 and last amended on March 2, 2019, land use tax in respect of urban land is levied according to the area of relevant land.

(vi) Building Tax

In accordance with the PRC Provisional Regulations on Real Estate Tax (《中華人民共和國房產稅暫行條例》) promulgated by the State Council on September 15, 1986 and amended on January 8, 2011 and the PRC State Council Order 546 (《中華人民共和國國務院令2008第546號》), for enterprises in PRC, no matter domestic or foreign-invested, the building tax is calculated at the rate of 1.2% on the value of self-owned real estate or at the rate of 12% on rental income derived from real estate.

(vii) Stamp Duty

In accordance with the Provisional Regulations of the PRC on Stamp Duty (《中華人民共和國印花稅暫行條例》) promulgated by the State Council on August 6, 1988, implemented on October 1, 1988 and amended on January 8, 2011, in respect of taxable documents of real estate transfer including title transfer instruments, the stamp duty rate is 0.05% of the amount stated therein; in respect of permits and certificates relating to rights, including building ownership certificates and land use right certificates, the stamp duty is levied on an item-by-item basis of RMB5 per item.

(viii) City Maintenance and Construction Tax and Educational Surtax

Pursuant to the Notice of the State Council on Unifying the System of City Maintenance and Construction Tax and Education Surtax Paid by Domestic and Foreign Invested Enterprise and Individual (《國務院關於統一內外資企業和個人城市維護建設稅和教育費附加制度的通知》) promulgated on October 18, 2010 and became effective from December 1, 2010, surtax has been resumed on foreign-invested enterprises, foreign enterprises and individual foreigners. If the location of the taxpayer is in city downtown area, the tax rate shall be 7%; if the location of the taxpayer is in a county or town, the tax rate shall be 5%; the tax rate shall be 1% for taxpayer located out of city downtown area, county or town. The general tax rate of education surcharges for foreign-invested enterprises, foreign enterprises and individual foreigners shall be 3%.

XIII. REGULATIONS ON FOREIGN EXCHANGE REGISTRATION AND FOREIGN CURRENCY EXCHANGE

Under the PRC Foreign Currency Administration Rules (《中華人民共和國外匯管理條例》) promulgated in January 29, 1996 and revised in January 14, 1997 and August 5, 2008 issued by the State Council, domestic institutions and domestic individuals may repatriate foreign currency payments received from abroad or retain the same abroad. Foreign exchange proceeds under the current accounts may be either retained or sold to a financial institution engaging in settlement and sale of foreign exchange pursuant to relevant rules and regulations of the State. For foreign exchange proceeds under the capital accounts, approval from SAFE is required for its retention or sale to a financial institution engaging in settlement and sale of foreign exchange, except where such approval is not required under the rules and regulations of the State.

Pursuant to the Circular on Relevant Issues concerning Foreign Exchange Administration of Overseas Investment and Financing and Round-tripping Investments Conducted by Domestic Residents through Overseas Special Purpose Vehicles (《關於境內居民通過特殊目的公司境外投融資及返程投資外匯管理有關問題的通知》) (the "**SAFE Circular No. 37**"), which was promulgated by SAFE and became effective on July 4, 2014, (1) domestic residents (including domestic institutions and domestic individual resident) shall register with the local SAFE branch before he or she contributes assets or equity interests in an overseas special purpose vehicle ("**Overseas SPV**"), that is directly established or controlled by the PRC Resident for the purpose of conducting investment or financing; and (2) following the initial registration, the PRC Resident is also required to register with the local SAFE branch for any major change, in respect of the Overseas SPV, including, among other things, a change of the Overseas SPV's PRC Resident shareholder(s), name of the Overseas SPV, term of operation, or any increase or reduction of the Overseas SPV's registered capital, share transfer or swap, and merger or division. Pursuant to SAFE Circular No. 37, failure to comply with these registration procedures may result in penalties. According to the Circular on Further Simplifying and Improving the Direct investment-related Foreign Exchange Administration Policies (《關於進一步簡化和改進直接投資外匯管理政策的通知》) (the "**Circular 13**") which was promulgated on February 13, 2015 and became effective on June 1, 2015, the above mentioned registration will be handled directly by the bank that has obtained the financial institution identification codes issued by the foreign exchange regulatory authorities and has opened the capital account information system at the foreign exchange regulatory authorities in the place where it is located and the foreign exchange regulatory authorities shall perform indirect regulation over the direct investment-related foreign exchange registration via banks.

XIV. PRC MERGER & ACQUISITION

Pursuant to Provisions on the Merger and Acquisition of Domestic Enterprises by Foreign Investors (《關於外國投資者併購境內企業的規定》) which was promulgated by the MOFCOM, the State-owned Assets Supervision and Administration Commission of the State Council, the SAT, the SAIC, CSRC and the SAFE on August 8, 2006, and subsequently amended by the MOFCOM on June 22, 2009, which provided that the scenarios qualify as an acquisition of a domestic enterprise by a foreign investor.

Pursuant to the Measures for Reporting, for the investment activities directly or indirectly conducted by foreign investors within the territory of China, the foreign investors or foreign-invested enterprises shall submit the investment information to the competent commercial department. Foreign investors or foreign-invested enterprises shall submit the investment information by presenting the initial report, the change report, the cancelation report and the annual report in accordance with the Measures for Reporting. Where a foreign investor establishes a foreign-invested enterprise within the territory of China, it shall submit an initial report through the enterprise registration system while applying for business establishment registration. If a foreign investor merges and acquires a domestic non-foreign-invested enterprise through the acquisition of equity in the domestic non-foreign-invested enterprise, it shall submit the initial report through the enterprise registration system while applying for change of registration of the merged enterprise.

HISTORY AND DEVELOPMENT

Overview

We are a reputable large property developer with national presence, regional focus and leading positions in selected cities, and we focus on providing quality residential properties to first-time homebuyers and first-time upgraders. With over 20 years of experience, we have expanded our operations into five regions with strong economic growth potential in China, including the Yangtze River Delta, the Bohai Economic Rim, Southern China, Southwestern China and Northwestern China.

The origins of our Company can be traced back to the establishment of Radiance Group by Mr. Lam, our founder, our chairman of the Board, executive Director and one of our Controlling Shareholders, in September 1996 with funds generated from his prior business engagements, when we acquired our first land parcel in Fuzhou, Fujian Province and subsequently developed it into our first residential property project, Fuzhou Jinjiang Garden (福州錦江花園). Prior to the establishment of Radiance Group, Mr. Lam was working in a property development company in the PRC for years, where he became familiar with and accumulated extensive experience in the property development industry in the PRC. Having seen the great potential for growth in the PRC real estate industry, Mr. Lam entered into the property development industry to commence the development of residential properties in Fuzhou City in Fujian Province of the PRC. For further information about Mr. Lam, please refer to "Directors and Senior Management — Board of Directors — Executive Directors" in this Prospectus. Since then, we have expanded our residential property development business into different cities across the PRC and further established four branded series: the New Block series (優步系), the Elite's Mansion series (雲著系), the King's Garden series (銘著系) and the Metropolitan series (大城系). In addition to residential property development, we started to engage in the development, operation and management of commercial properties in 1999 and the leasing of a portion of such commercial properties.

As of July 31, 2020, our property portfolio consisted of 160 projects, including 117 property projects developed by our subsidiaries and 43 property projects developed by our joint ventures and associates, covering 16 provinces and municipalities in China.

Key Business Milestones

The following table sets out a summary of our Group's key business development milestones:

Year	Milestone Event
Setting foot in the Southern China region	
1996	Radiance Group was established in Fuzhou, Fujian Province and commenced its business in Fuzhou
1999	We commenced the sales of our first residential property Fuzhou Jinjiang Garden (福州錦江花園) and completed the development of our first commercial property project Fuzhou Jinhui Mansion (福州金輝大廈)
Initiating national expansion	
2004	We started our expansion into cities in other provinces in the PRC, such as Chongqing
2006	We further expanded into Xi'an
2009	Our headquarters moved to Beijing and we expanded our business into Shanghai

Year	Milestone Event
Regional focus	
2010	We expanded our business into Tianjin and Lianyungang
2011	We were named a "Top 50 Real Estate Developers in the PRC (中國房地產企業前五十強)" by China Real Estate Association (中國房地產協會) China Real Estate Research Association (中國房地產研究會) and China Real Estate Appraisal (中國房地產測評中心) and became a well-known real estate development enterprise in the PRC
	We commenced our expansion into Chengdu, Shenyang, Yangzhou, Hefei, Yancheng and Huai'an
2013	We commenced our development of large-scale complex, Jinhui World City (金輝世界城), in Xi'an
Leapfrog development	
2016	Completion and commencement of use of our headquarters, Beijing Radiance Plaza (北京金輝大廈)
2017	We started to expand into Foshan and Huizhou and started to aim for further expansion in Guangdong-Hong Kong-Macao Greater Bay Area
2018	Established strategic expansion into six regions, namely, the Yangtze River Delta, Bohai Economic Rim, Southern China, Eastern China, Southwestern China and Northwestern China
	We were named a "Best 30 of China Real Estate Developers Brand Value (中國房地產開發企業品牌價值30強)" and "2018 Best 10 of Growth of China Real Estate Developers Brand Value (中國房地產開發企業品牌價值成長性10強)" by China Real Estate Association (中國房地產業協會), E-house Real Estate R&D Institute (易居房地產研究院) and China Real Estate Appraisal
	We were named a "2018 Top 30 Brand of China Real Estate Companies (2018中國房地產品牌價值Top 30)" by CIA
2019	We completed our first offshore debt offering and obtained issuer's ratings from Standard & Poor's and Fitch Rating
	We upgraded our product portfolio to include the New Block series (優步系), Elite's Mansion series (雲著系), King's Garden series (銘著系) and Metropolitan series (大城系) and diversified our product layout
	We were named a "2019 China Top 100 Real Estate Commercial Developers (2019中國房地產商業地產百強企業)" by CIA and a "Top 50 Real Estate Developers in the PRC (中國房地產企業前五十強)" by China Real Estate Association (中國房地產協會) in 2011, 2014, 2015, 2017, 2018 and 2019
	We were named a "2019 Best 10 of Development of China Real Estate Developers (中國房地產開發企業綜合發展10強)" by China Real Estate Association, E-house Real Estate R&D Institute (易居房地產研究院) and China Real Estate Appraisal
2020	Adjusted organizational structure from six regions to five regions, namely, the Yangtze River Delta, Bohai Economic Rim, Southern China, Southwestern China and Northwestern China
	We ranked 37th among "China Top 100 Real Estate Developers" by China Index Academy

Year	Milestone Event
	We ranked 36th among "China Top 50 Real Estate Developers" by China Real Estate Association and Shanghai E-house Real Estate R&D Institute PRC Real Estate Evaluation Center (上海易居房地產研究院中國房地產測評中心)

Our Corporate Development

As of the Latest Practicable Date, our Group had either established or acquired operating subsidiaries and joint ventures and associates in the PRC to carry out our business. The major corporate developments of members of our Group which were material to the performance and operations of our Group during the Track Record Period, as well as being significant in terms of assets held, are set out below:

Radiance Group

Radiance Group is the holding company of all of our PRC subsidiaries and two offshore subsidiaries. It was established in the PRC on September 2, 1996 with an initial registered capital of RMB17,550,000. As of the date of establishment, Radiance Group was wholly owned by Kam Fei Company.

Subsequent to a series of increase of registered capital from July 2002 to April 2006, the registered capital of Radiance Group was increased from RMB17,550,000 to RMB195,330,000. On July 26, 2006, Kam Fei Investment acquired the entire equity interest in Radiance Group from Kam Fei Company at a consideration of RMB195,330,000, which was determined after arm's length negotiations with reference to the registered capital of Radiance Group at the time of such transfer.

The registered capital of Radiance Group was further increased to RMB357,090,000 in March 2007 and to RMB457,090,000 in July 2010. In June 2015, capital injection in the amount of RMB200,000,000 was made by 上海華月實業投資有限公司 (Shanghai Huayue Industrial Investment Co., Ltd.) ("**Shanghai Huayue**") which was at the time wholly owned by Ms. Chen Yun, a relative of Mr. Lam. RMB19,045,400 of such capital injection was credited to the registered capital of Radiance Group and the remaining RMB180,954,600 was credited to the capital reserve of Radiance Group. Such capital injection was contributed by Ms. Chen Yun with her personal financial resources and was facilitated (i) to raise additional funds for the business expansion of our Group; (ii) to increase the number of shareholders of Radiance Group to two, for the purpose of meeting the requirement for the conversion of Radiance Group from a limited liability company into a joint stock company to prepare for the then contemplated application for listing by Radiance Group on the Shanghai Stock Exchange; and (iii) as the first step in allowing the relatives or family members of Mr. Lam to make investments into Radiance Group prior to its then proposed application for listing on the Shanghai Stock Exchange such that they can benefit from its future financial achievements. Upon completion of the above, the registered capital of Radiance Group became RMB476,135,400 and Radiance Group became owned as to 96% by Kam Fei Investment and 4% by Shanghai Huayue.

On August 3, 2015, the board of directors of Radiance Group passed resolutions approving, among other matters, the conversion of Radiance Group from a limited liability company into a joint stock company with limited liability. Upon the completion of such conversion, the share capital of Radiance Group became RMB1,800,000,000 divided into 1,800,000,000 shares with a nominal value of RMB1.00 each, where Kam Fei Investment and Shanghai Huayue held 96% and 4% of the share capital of Radiance Group, respectively.

Subsequent to the capital injection by Shanghai Huayue in June 2015 described above, the registered capital of Shanghai Huayue was increased from RMB50 million to RMB200 million in January 2016 through a capital injection in the amount of RMB50 million, RMB40 million, RMB30 million and RMB30 million by Mr. Lin Wei, Ms. Lin Fengyu, Ms. Lin Ping and Ms. Lin Fenghua (the "**Related Individuals**"), respectively, each a relative or family member of Mr. Lam (each of "relative" and "family member" as defined in the Listing Rules). Upon completion of such capital injection, Shanghai Huayue became owned as to 25% by Mr. Lin Wei, 25% by Ms. Chen Yun, 20% by Ms. Lin Fengyu, 15% by Ms. Lin Ping and 15% by Ms. Lin Fenghua. The capital injection amounts were funded by advances by Mr. Lam to the Related Individuals pursuant to four loan agreements which, as of the Latest Practicable Date were yet to be repaid, and will be repaid upon the Related Individuals receiving future dividend payouts from Shanghai Huayue, or upon disposal of their shareholding therein. The above capital injection was made shortly before the application for listing on the Shanghai Stock Exchange by Radiance Group, as the Related Individuals had, having considered its prospects and potential listing, indicated interests in investing in Radiance Group prior to its proposed A-share listing. As of the Latest Practicable Date, all prior amounts of dividend received by Shanghai Huayue of approximately RMB3.1 million had not been further distributed to the Related Individuals, and hence they had yet to receive any financial return from their investments in Radiance Group.

The Related Individuals and Ms. Chen Yun (the "**Related Shareholders**") are not involved in the day-to-day management or operations of our Group. Each of them has had limited experience in making investments in stock markets and investment funds. Other than the investment in Radiance Group through Shanghai Huayue, the Related Shareholders have no other investment in the real estate industry.

Due to the Related Shareholders being PRC nationals and after considering the time and other resources required to complete the necessary SAFE registrations pursuant to Circular 37 for their interests in Radiance Group held through Shanghai Huayue to be transferred offshore into shareholdings in our Company, as well as the potential tax implications concerned, the Related Shareholders have decided to retain their investments in our Group at an onshore level through Radiance Group.

Pursuant to the articles of association of Radiance Group, Shanghai Huayue does not possess any veto right as a minority shareholder of Radiance Group.

Suzhou Jinhui Properties Development

Suzhou Jinhui Properties Development was established in the PRC on January 9, 2015 with an initial registered capital of RMB50,000,000. Suzhou Jinhui Properties Development has been wholly owned by Suzhou Jinhui Juye, an indirect non-wholly owned subsidiary of the Company, since its establishment. On May 25, 2015, the registered capital of Suzhou Jinhui Properties Development was increased to RMB100,000,000 through a capital injection in the amount of RMB50,000,000 by Suzhou Jinhui Juye.

Suzhou Jinhui Properties Development is the project company established for the property development project of New Block Garden (優步花園).

Chongqing Jinhui Changjiang

Chongqing Jinhui Changjiang was established in the PRC on April 13, 2001 as a sino-foreign joint cooperative venture with an initial registered capital of USD29,990,000. As of the date of establishment, Chongqing Jinhui Changjiang was wholly owned by an Independent Third Party.

In March 2011, the then sole Independent Third Party shareholder of Chongqing Jinhui Changjiang transferred 50% of its equity interest in Chongqing Jinhui Changjiang to Chongqing Ronghui and the other 50% to Beijing Juye Investment, which was owned as to 79.59% by 上海居業投資有限公司 (Shanghai Juye Investment Co., Ltd.) ("**Shanghai Juye**") and 20.41% by Chongqing Ronghui at the material time, at a consideration of RMB124,110,000 and RMB124,110,000, respectively. The consideration was determined after arm's length negotiations with reference to the registered capital of Chongqing Jinhui Changjiang at the time of such transfers. Upon completion of such transfers, Chongqing Jinhui Changjiang became owned as to 50% by Chongqing Ronghui and 50% by Beijing Juye Investment. As both of Chongqing Ronghui and Shanghai Juye were direct wholly-owned subsidiaries of Radiance Group, Chongqing Jinhui Changjiang became an indirect wholly-owned subsidiary of Radiance Group.

In April 2011, for the purpose of securing a loan granted by 平安信託有限責任公司 (Pingan Trust Co., Ltd.) ("**Pingan Trust**"), an Independent Third Party, for the development of one of our development projects, the registered capital of Chongqing Jinhui Changjiang was increased to RMB486,701,303 through a capital injection of RMB238,481,303 by Pingan Trust. Upon completion of such increase of registered capital, Chongqing Jinhui Changjiang became owned as to 25.5% by Chongqing Ronghui, 25.5% by Beijing Juye Investment and 49% by Pingan Trust. On May 3, 2013, upon repayment of the loan, Pingan Trust and Beijing Juye Investment entered into an equity transfer agreement, pursuant to which Pingan Trust transferred its 49% equity interest in Chongqing Jinhui Changjiang to Beijing Juye Investment at a consideration of RMB238,481,303, which was determined after arm's length negotiations with reference to the registered capital of Chongqing Jinhui Changjiang at the time of such transfer. Upon completion of such transfer, Chongqing Jinhui Changjiang became owned as to 25.5% by Chongqing Ronghui and 74.5% by Beijing Juye Investment.

On July 13, 2017, the registered capital of Chongqing Jinhui Changjiang was increased to RMB741,701,303 through a capital injection of RMB255,000,000 by Chongqing Ronghui. Upon completion of such capital injection, Chongqing Jinhui Changjiang became owned as to 51.1% by Chongqing Ronghui and 48.9% by Beijing Juye Investment.

Chongqing Jinhui Changjiang is the project company established for the property development project of Chongqing Jinhui City (重慶金輝城), Chongqing Boshe (重慶泊舍), Chongqing Yujiang House (重慶禦江府), Chongqing Zhongyang King's Garden (重慶中央銘著) and Chongqing Changjiang King's Garden (重慶長江銘著).

Xi'an Qujiang Yuanshan

Xi'an Qujiang Yuanshan was established in the PRC on August 26, 2011 with an initial registered capital of RMB10,000,000. At the time of establishment, Xi'an Qujiang Yuanshan was owned as to 99.9% by 開元城市發展（西安）投資中心（有限合夥） (Kaiyuan Urban Development (Xi'an) Investment Center (Limited Partnership)) ("**Kaiyuan Urban Development**") and 0.1% by Kaiyuan Qujiang Investment Development Co., Ltd. (開元曲江投資發展有限公司) ("**Kaiyuan Qujiang**"), both are Independent Third Parties.

On March 8, 2013, Beijing Jinhui Yuanshan acquired 10.5% of equity interest in Xi'an Qujiang Yuanshan from Kaiyuan Urban Development at a consideration of RMB327,406,491, which was determined after arm's length negotiations with reference to the valuation of Xi'an Qujiang Yuanshan as of December 31, 2012 as assessed by an independent valuer. On February 19, 2016, Beijing Jinhui Yuanshan acquired 89.5% of equity interest in Xi'an Qujiang Yuanshan from Kaiyuan Urban Development and Kaiyuan Qujiang at an aggregate consideration of RMB1,727,339,665.97, which was determined after arm's length negotiations with reference to the valuation of Xi'an Qujiang Yuanshan as of August 31, 2015 as assessed by an independent valuer. Upon completion of such transfers, Xi'an Qujiang Yuanshan became wholly owned by Beijing Jinhui Yuanshan.

For the purpose of providing guarantee for an asset management plan established by Great Wall Capital Co., Ltd. (長城嘉信資產管理有限公司) ("**Great Wall Capital**"), an Independent Third Party, so that we can obtain a loan for the development of our project named Jinhui World City, on March 4, 2016, Beijing Jinhui Yuanshan transferred its 49% of equity interest in Xi'an Qujiang Yuanshan to Great Wall Capital at a consideration of RMB49,000,000, which was determined after arm's length negotiations with reference to the registered capital of Xi'an Qujiang Yuanshan at the time of such transfer. On July 11, 2017, upon repayment of the loan, Great Wall Capital transferred 49% of equity interest in Xi'an Qujiang Yuanshan to Beijing Jinhui Yuanshan at a consideration of RMB49,000,000, which was determined after arm's length negotiations with reference to the registered capital of Xi'an Qujiang Yuanshan at the time of such transfer. Upon completion of such transfer, Xi'an Qujiang Yuanshan became our non-wholly owned subsidiary.

Xi'an Qujiang Yuanshan is the project company established for the property development project of Xi'an Jinhui World City (西安金輝世界城).

Rongqiao Fuzhou Real Estate

Rongqiao Fuzhou Real Estate was established in the PRC on June 24, 1992 as a wholly foreign-owned enterprise with an initial registered capital of USD12,000,000. As of the date of establishment, Rongqiao Fuzhou Real Estate was wholly owned by an Independent Third Party.

On August 31, 2007, the registered capital of Rongqiao Fuzhou Real Estate was increased to USD30,000,000 through a capital injection of USD18,000,000 by another Independent Third Party, upon which Rongqiao Fuzhou Real Estate became owned as to 40% and 60% by two Independent Third Parties. On June 18, 2013, an Independent Third Party shareholder transferred its 60% equity interest in Rongqiao Fuzhou Real Estate to Radiance Group at a consideration of USD18,000,000, which was determined after arm's length negotiations with reference to the registered capital of Rongqiao Fuzhou Real Estate at the time of such transfer. Upon completion of such transfer, Rongqiao Fuzhou Real Estate became owned as to 60% by Radiance Group and 40% by an Independent Third Party.

Rongqiao Fuzhou Real Estate is the project company established for the property development project of Fuzhou Huai'an (福州淮安).

Jurong Hongyuan

Jurong Hongyuan was established in the PRC on July 3, 2009 with an initial registered capital of RMB1,000,000. As of the date of establishment, Jurong Hongyuan was wholly owned by 句容山水龍城房地產開發有限公司 (Jurong Shanshui Longcheng Property Development Co., Ltd.) ("**Jurong Shanshui**"), an Independent Third Party.

On December 17, 2013, Shanghai Ronghui Juye acquired 83% of the equity interest in Jurong Hongyuan from Jurong Shanshui at a consideration of RMB386,863,000, which was determined after arm's length negotiations with reference to the registered capital of Jurong Hongyuan at the time of such transfer. On April 1, 2014, Shanghai Ronghui Juye acquired the remaining 17% of the equity interest in Jurong Hongyuan from

Jurong Shanshui at a consideration of RMB79,237,000, which was determined after arm's length negotiations with reference to the registered capital of Jurong Hongyuan at the time of such transfer. Upon completion of such transfers, Jurong Hongyuan became wholly owned by Shanghai Ronghui Juye.

Jurong Hongyuan is the project company established for the property development project of Jinhui Four Seasons (四季金輝).

Beijing Jinhui Beiwang

Beijing Jinhui Beiwang was established in the PRC on March 15, 2017 with an initial registered capital of RMB50,000,000. Since its establishment, Beijing Jinhui Beiwang has been wholly owned by Beijing Ronghui Real Estate, an indirect non-wholly owned subsidiary of our Company. Beijing Jinhui Beiwang has been engaged in the provision of commercial operational services since its establishment.

Shanghai Tiancui

Shanghai Tiancui was established in the PRC on December 8, 2015 with an initial registered capital of RMB1,000,000. Since its establishment, Shanghai Tiancui has been wholly owned by Shanghai Ronghui Juye, an indirect non-wholly owned subsidiary of our Company. In March 2016, the registered capital of Shanghai Tiancui was increased from RMB1,000,000 to RMB100,000,000.

Shanghai Tiancui is the project company established for the property development project of Shanghai Jinhui Tiancui Garden (上海金輝天萃苑).

Langfang Qihui Properties Development

Langfang Qihui Properties Development was established in the PRC on April 8, 2019 with an initial registered capital of RMB50,000,000. Since its establishment, Langfang Qihui Properties Development has been wholly owned by 北京北望管理諮詢有限公司 (Beijing Beiwang Management Consulting Co., Ltd.), which in turn is wholly owned by 北京融輝茗業投資有限公司 (Beijing Ronghui Mingye Investment Co., Ltd.), an indirect non-wholly owned subsidiary of our Company.

Langfang Qihui Properties Development is the project company established for the property development project of Langfang New Block Riverside Garden (廊坊優步水岸花園).

Wuhan Yaoxing Properties Development

Wuhan Yaoxing Properties Development was established in the PRC on March 27, 2019 with an initial registered capital of RMB100,000,000. As of the date of establishment, Wuhan Yaoxing Properties Development was owned as to 50% by 武漢利嘉天和置業有限公司 (Wuhan Lijia Tianhe Real Estate Co., Ltd.) ("**Wuhan Lijia**"), 30% by 武漢金輝置業有限公司 (Wuhan Jinhui Real Estate Co., Ltd.) ("**Wuhan Jinhui Real Estate**"), and 20% by 福建友興投資有限公司 (Fuzhou Youxing Investment Co., Ltd.) ("**Fujian Youxing**"). Each of Wuhan Lijia and Fujian Youxing is an Independent Third Party and Wuhan Jinhui Real Estate is wholly owned by Beijing Jinhui Yuanshan.

In June 2019, Wuhan Lijia transferred its entire equity interest in Wuhan Yaoxing Properties Development to Wuhan Jinhui Real Estate at a consideration of RMB50,000,000, which was determined after arm's length negotiations with reference to the registered capital of Wuhan Yaoxing Properties Development at the time of such transfer. Upon completion of such transfer, Wuhan Yaoxing Properties Development became owned as to 80% by Wuhan Jinhui Real Estate (of which 15% is held on trust for 武漢茂田置業投資有限責任公司 (Wuhan Maotian Properties Investment Co., Ltd.), an Independent Third Party shareholder for the purpose of ease of administration) and 20% by Fujian Youxing.

In June 2019, the registered capital of Wuhan Yaoxing Properties Development was increased from RMB100,000,000 to RMB1,000,000,000.

Wuhan Yaoxing Properties Development is the project company established for the property development project of Wuhan Jiangshan Elite's Mansion (武漢江山雲著).

Zhengzhou Jinhui Xingye

Zhengzhou Jinhui Xingye was established in the PRC on May 9, 2018 with an initial registered capital of RMB50,000,000. As of the date of establishment, Zhengzhou Jinhui Xingye was wholly owned by 西安金輝興業房地產開發有限公司 (Xi'an Jinhui Xingye Properties Development Co., Ltd.) ("**Xi'an Jinhui Xingye**"), which is wholly owned by 西安金輝房地產開發有限公司 (Xi'an Jinhui Properties Development Co., Ltd.), and an indirect non-wholly owned subsidiary of our Company.

In June 2019, the registered capital of Zhengzhou Jinhui Xingye was increased from RMB50,000,000 to RMB102,040,000 through a capital injection in the amount of RMB52,040,000 by Xi'an Qujiang Yuanshan. Upon completion of such increase in registered capital, Zhengzhou Jinhui Xingye became owned as to 51% by Xi'an Qujiang Yuanshan and 49% by Xi'an Jinhui Xingye.

Zhengzhou Jinhui Xingye is the project company established for the property development project of Zhengzhou Binhe Elite's Mansion (鄭州金輝濱河彩雲築).

Hangzhou Jinghui Real Estate

Hangzhou Jinghui Real Estate was established in the PRC on September 19, 2017 with an initial registered capital of RMB50,000,000. Since its establishment, Hangzhou Jinghui Real Estate has been wholly owned by Hangzhou Qiying.

Hangzhou Jinghui Real Estate is the project company established for the property development project of Hangzhou Jiushang Elite's Mansion (杭州久尚雲築).

Radiance Capital Investments

Radiance Capital Investments was incorporated in the BVI with limited liability on June 6, 2017. Since its incorporation, 50,000 shares has been allotted to Radiance Capital Holdings Co., Limited, a wholly owned subsidiary of Radiance Group. Radiance Capital Investments is an investment holding company and was the issuer of our first offshore debt offering in 2019.

MATERIAL ACQUISITIONS DURING THE TRACK RECORD PERIOD

Acquisition of the entire equity interest in Changsha Hongtao Properties Development Co., Ltd. (長沙鴻濤房地產開發有限公司)("Changsha Hongtao")

In July 2017, Changsha Jinhui Real Estate acquired the entire equity interest of Changsha Hongtao from 長沙潤濤進出口貿易有限公司 (Changsha Runtao Import and Export Trading Co., Ltd.) and 懷化潤濤裝飾有限公司 (Huaihua Runtao Design and Decoration Co., Ltd.), both Independent Third Parties, at a total consideration of RMB62,400,000, which was determined after arm's length negotiations with reference to property portfolio owned by Changsha Hongtao and market value of Changsha Hongtao at the time of such transfer. As of the Latest Practicable Date, the consideration had been fully settled. Upon completion of such acquisition on July 19, 2017, Changsha Hongtao became wholly owned by Changsha Jinhui Real Estate. Changsha Hongtao is the project company for the property development project of Changsha Hongtao Jade Bay (長沙鴻濤翡翠灣).

Acquisition of the entire equity interest in Shaanxi Fenghong Properties Development Co., Ltd. (陝西楓泓房地產開發有限公司)("Shaanxi Fenghong")

In February 2018, Xi'an Qitai Real Estate acquired the entire equity interest of Shaanxi Fenghong from 陝西楓鶴房地產開發有限公司 (Shannxi Fenghe Properties Development Co., Ltd.), an Independent Third Party, at a total consideration of RMB1,303,092,000, which was determined after arm's length negotiations with reference to property portfolio owned by Shaanxi Fenghong. As of the Latest Practicable Date, the consideration had been fully settled. Upon completion of such acquisition on February 14, 2018, Shaanxi Fenghong became wholly owned by Xi'an Qitai Real Estate. Shaanxi Fenghong is the project company for the property development project of Xi'an Jinghe Town (西安涇河小鎮).

Acquisition of 30% equity interest in Suzhou Jinhui Huayuan Real Estate Co., Ltd. (蘇州金輝華園置業有限公司)("Suzhou Jinhui Huayuan")

Prior to the acquisition, Suzhou Jinhui Huayuan was owned as to 70% by Suzhou Jinhui Juye and 30% by 中新蘇州工業園區市政公用發展集團有限公司 (Zhongxin Suzhou Industrial Park Municipal Public Development Group Co., Ltd.) ("Zhongxin Suzhou Industrial Park"), an Independent Third Party. In December 2018, Suzhou Jinhui Juye acquired 30% equity interest of Suzhou Jinhui Huayuan from Zhongxin Suzhou Industrial Park, at a consideration of RMB34,721,200, which was determined after arm's length negotiations with reference to the valuation of Suzhou Jinhui Huayuan as of September 30, 2018 as assessed by an independent valuer. As of the Latest Practicable Date, the consideration had been fully settled. Upon completion of such acquisition on December 28, 2018, Suzhou Jinhui Huayuan became wholly owned by Suzhou Jinhui Juye. Suzhou Jinhui Huayuan is the project company for the property development project of Suzhou Zunyu Yayuan (蘇州尊域雅苑).

Acquisition of 49% equity interest in Suzhou Jinhui Xinyuan Real Estate Co., Ltd. (蘇州金輝新園置業有限公司)("Suzhou Jinhui Xinyuan")

Prior to the acquisition, Suzhou Jinhui Xinyuan was owned as to 51% by Suzhou Jinhui Juye and 49% by Zhongxin Suzhou Industrial Park. In December 2018, Suzhou Jinhui Juye acquired 49% equity interest of Suzhou Jinhui Xinyuan from Zhongxin Suzhou Industrial Park, at a consideration of RMB24,523,000, which was determined after arm's length negotiations with reference to the valuation of Suzhou Jinhui Xinyuan as of September 30, 2018 as assessed by an independent valuer. As of the Latest Practicable Date, the consideration had been fully settled. Upon completion of such acquisition on December 29, 2018, Suzhou Jinhui Xinyuan became wholly owned by Suzhou Jinhui Juye. Suzhou Jinhui Xinyuan is the project company for the property development project of Suzhou Qianwan Yayuan (蘇州淺灣雅苑).

Our PRC Legal Advisors have confirmed that since all necessary filings and registrations with the relevant PRC authorities in respect of the material acquisitions described have been obtained, and all the relevant legal procedures were completed in accordance with the relevant PRC laws and regulations.

PREVIOUS APPLICATIONS FOR LISTING ON THE STOCK EXCHANGE AND THE SHANGHAI STOCK EXCHANGE

Radiance Group Holdings, one of our Controlling Shareholders, submitted an application on September 17, 2013 for the proposed listing of its shares on the Main Board of the Stock Exchange (the "**2013 HKEx Listing Application**"). Having considered the prevailing market conditions at the relevant time and due to its intention to explore the feasibility of pursuing a listing on the Shanghai Stock Exchange, which the management of Radiance Group Holdings at the relevant time considered to have become a more suitable platform to pursue its fund raising plan given the then market belief in the possibility of Chinese government loosening its policy to allow real estate companies to list on the Shanghai Stock Exchange, Radiance Group Holdings ceased to proceed with the 2013 HKEx Listing Application upon the lapse of such application in March 2014.

Subsequent to a series of restructuring and preparation work for the purpose of pursuing its listing on the Shanghai Stock Exchange, Radiance Group submitted an application for listing on the Shanghai Stock Exchange on January 26, 2016 (the "**A-share Application**") and subsequently addressed certain enquiries received from the CSRC in February 2017 (the "**Enquires**") which were primarily disclosure-based, requesting further details on the corporate structure, operational and financial information, connected transactions, compliance records and other related-matters of Radiance Group and its subsidiaries. No major comments or issues were raised or identified in the Enquiries. However, the subsequent progress with the A-share Application was slow, and the tightened control and regulatory environment of the real estate industry in the PRC and the increasingly challenging general financing environment in the PRC had led to a prolonged and uncertain listing timetable in respect of the vetting process for the A-share Application. At the same time, during the time while the A-share Application was pending, the successful listing of a number of PRC property developers on the Stock Exchange which opened doors to the international capital markets for those listed issuers was observed. As a result, our Controlling Shareholders once again decided to pursue the listing of our business on the Stock Exchange, and in preparation for it, Radiance Group submitted an application to voluntarily withdraw its A-share Application to the CSRC in March 2020, and obtained termination notification of the vetting procedure from CSRC in April 2020.

At the time of the 2013 HKEx Listing Application, Radiance Group Holdings, the proposed listing vehicle in such application, was beneficially owned as to 61.72% by Mr. Lam, 33.28% by Ms. Lam and 5% by an Independent Third Party. The shares held by such Independent Third Party were repurchased by Radiance Group Holdings and such Independent Third Party ceased to be a shareholder of Radiance Group Holdings after the lapse of 2013 HKEx Listing Application. Upon completion of such repurchase, Radiance Group Holdings became owned as to 64.97% by Mr. Lam and 35.03% by Ms. Lam and the shareholding structure remained the same as of the Latest Practicable Date. As part of Reorganization, our Company was incorporated by a wholly-owned subsidiary of Radiance Group Holdings to serve as the listing vehicle of the Listing. For details, please see "Reorganization — Incorporation of our Company" in this section. Upon completion of Reorganization, Radiance Group Holdings became one of our Controlling Shareholders.

The principal business operations of the proposed listing group at the time of 2013 HKEx Listing Application was property development, property management and hotel operation and management, while the business of our Group for the current Listing has been streamlined to focus primarily on property development and property leasing.

Our Directors are not aware of any other material matters relating to the 2013 HKEx Listing Application and the A-Share Application (collectively the "**Previous Listing Applications**") which are relevant to the Listing and should be highlighted in this Prospectus for investors to form an informed assessment of our Company.

In relation to the Previous Listing Applications, the Joint Sponsors have conducted the following due diligence works to (i) understand the background of the Previous Listing Applications and the reasons for the withdrawal/lapse of the Previous Listing Applications; and (ii) ascertain whether there is any material issue in relation to the Previous Listing Applications that would materially and adversely affect the Company's suitability for Listing:

1. conducted interviews with (i) the management of the Group responsible for handling the Previous Listing Applications; and (ii) certain intermediaries to the Previous Listing Applications;

2. reviewed the publicly available information on the mass media relating to the Previous Listing Applications;

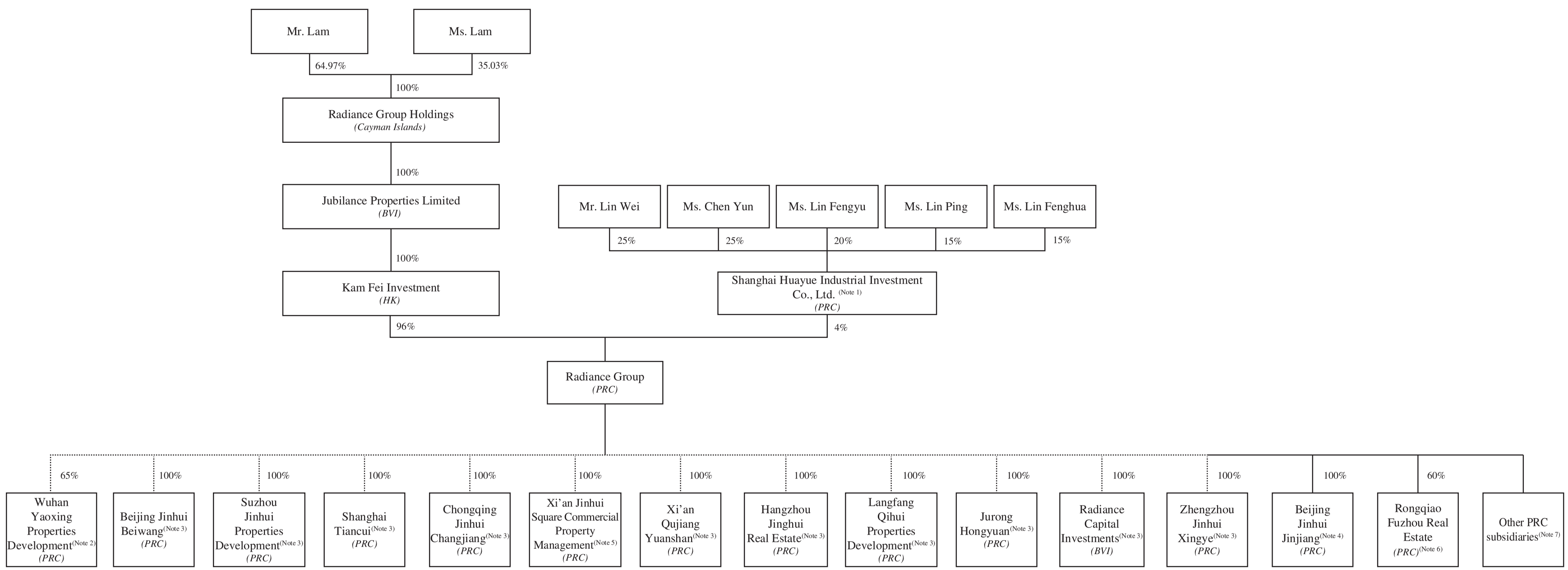
3. reviewed the listing application documents (including the draft prospectus) in relation to the Previous Listing Applications; and

4. reviewed the correspondences with from CSRC, Stock Exchange and SFC in relation to the Previous Listing Applications, including the comment letters and the respective responses to the comment letters.

Based on the aforesaid information provided by the Group and the due diligence works conducted, the Joint Sponsors are not aware of any matters that would materially adversely affect the Company's suitability for listing and need to be brought to the attention of the Stock Exchange and the SFC with respect to the Previous Listing Applications.

CORPORATE STRUCTURE BEFORE THE REORGANIZATION

The following chart sets forth the simplified corporate structure of our Group before the Reorganization:



Notes:

(1) Each of Mr. Lin Wei, Ms. Chen Yun, Ms. Lin Fengyu, Ms. Lin Ping and Ms. Lin Fenghua is Mr. Lam's relative or family member (as each of such terms is defined in the Listing Rules).

(2) The direct shareholder of Wuhan Yaoxing Properties Development, namely Wuhan Jinhui Real Estate, holds 80% of the issued capital of Wuhan Yaoxing, of which 15% is held on trust on behalf of 武漢茂田置業投資有限責任公司 (Wuhan Maotian Properties Investment Co., Ltd.), an Independent Third Party shareholder, for the purpose of ease of administration. The remaining 20% equity interest of Wuhan Yaoxing Properties Development is held by another Independent Third Party.

(3) Each of Beijing Jinhui Beiwang, Suzhou Jinhui Properties Development, Shanghai Tiancui, Chongqing Jinhui Changjiang, Xi'an Qujiang Yuanshan, Hangzhou Jinghui Real Estate, Langfang Qihui Properties Development, Jurong Hongyuan, Radiance Capital Investments and Zhengzhou Jinhui Xingye is an indirect wholly-owned subsidiary of Radiance Group.

(4) 北京金輝錦江物業服務有限公司 (Beijing Jinhui Jinjiang Property Services Co., Ltd.*) ("**Beijing Jinhui Jinjiang**") was wholly owned by Radiance Group before the Reorganization. As part of the Reorganization, Beijing Jinhui Jinjiang was disposed of in December 2019. For details, please refer to "Disposals of Beijing Jinhui Jinjiang and Xi'an Jinhui Square Commercial Property Management" in this section.

(5) 西安金輝廣場商業物業管理有限公司 (Xi'an Jinhui Square Commercial Property Management Co., Ltd.*) ("**Xi'an Jinhui Square Commercial Property Management**") was an indirect wholly-owned subsidiary of Radiance Group before the Reorganization. As part of the Reorganization, Xi'an Jinhui Square Commercial Property Management was disposed of in December 2019. For details, please refer to "Disposals of Beijing Jinhui Jinjiang and Xi'an Jinhui Square Commercial Property Management" in this section.

(6) The remaining 40% equity interest of Rongqiao Fuzhou Real Estate is held by an Independent Third Party.

(7) The above chart includes shareholding information related to our major subsidiaries, details of which are set out in "— Our Corporate Development" in this section. For details of our subsidiaries, please refer to "Statutory and General Information — A. Further Information about our Group — 6. Particulars of our Subsidiaries" in Appendix V to this Prospectus.

REORGANIZATION

In anticipation of the Listing, we undertook a restructuring exercise whereupon our Company became the holding company of our subsidiaries.

Incorporation of our Company

Our Company was incorporated in the Cayman Islands under the Companies Law as an exempted company with limited liability on October 17, 2019. The initial authorized share capital of our Company was HK$380,000 divided into 38,000,000 ordinary shares with a nominal value of HK$0.01 each. Upon incorporation, one Share was allotted and issued to an initial subscriber, an Independent Third Party, and such Share was transferred to Glowing Shine.

Acquisition of Jubilance Properties

On March 5, 2020, our Company acquired the entire issued shares of Jubilance Properties from Radiance Group Holdings at a consideration of USD3.00, which was settled by our Company allotting and issuing of one Share to Glowing Shine, being the direct wholly-owned subsidiary of Radiance Group Holdings, on March 5, 2020.

Disposals of Beijing Jinhui Jinjiang and Xi'an Jinhui Square Commercial Property Management

As the long term strategy of our Group is to focus on the business of property development, in order to streamline the structure of our Group to adhere to such strategy and for the purpose of achieving a clear delineation between the businesses of our Group and those of our Controlling Shareholders, the following disposals and other Reorganization steps were taken.

Xi'an Jinhui Square Commercial Property Management was established on July 8, 2014. Immediately prior to the Reorganization, it was principally engaged in the provision of property management services and other valued-added services to commercial properties developed by our Group. Its customers were independent tenants. As its business was not in line with the long term strategy of our Group, on December 2, 2019, the sole shareholder of Xi'an Jinhui Square Commercial Property Management, namely 西安金輝房地產開發有限公司 (Xi'an Jinhui Properties Development Co., Ltd.), transferred the entire equity interest in Xi'an Jinhui Square Commercial Property Management to Beijing Jinhui Jinjiang at a consideration of RMB5,000,000, which was determined after arm's length negotiation with reference to the registered capital of Xi'an Jinhui Square Commercial Property Management at the time of such transfer. Upon completion of such equity transfer, Xi'an Jinhui Square Commercial Property Management became wholly owned by Beijing Jinhui Jinjiang.

Beijing Jinhui Jinjiang was established on August 20, 2002. Immediately prior to the Reorganization, it was principally engaged in the provision of property management services to residential properties developed by our Group. Its customers were property developers and property owners which included both the Group and Independent Third Parties. As its business was not in line with the long term strategy of our Group, on December 23, 2019, the sole shareholder of Beijing Jinhui Jinjiang, namely Radiance Group, transferred the entire equity interest in Beijing Jinhui Jinjiang to 福州金惠物業管理有限公司 (Fuzhou Jinhui Property Management Co., Ltd.), a company indirectly wholly owned by Mr. Lam and Ms. Lam, our ultimate Controlling Shareholders, at a consideration of RMB27,000,000, which was determined after arm's length negotiations with reference to the valuation of Beijing Jinhui Jinjiang as assessed by an independent valuer. Upon completion of such equity transfer, Beijing Jinhui Jinjiang ceased to be a member of our Group.

As confirmed by our Directors, each of Beijing Jinhui Jinjiang and Xi'an Jinhui Square Commercial Property Management had complied with applicable laws and regulations in all material respects, and had not been involved in any material legal, regulatory, arbitral or administrative proceedings, investigations or claims before the relevant disposals.

Our PRC Legal Advisors have confirmed that each of the disposals described above has obtained all applicable regulatory approvals and registrations.

INCREASE OF AUTHORIZED SHARE CAPITAL

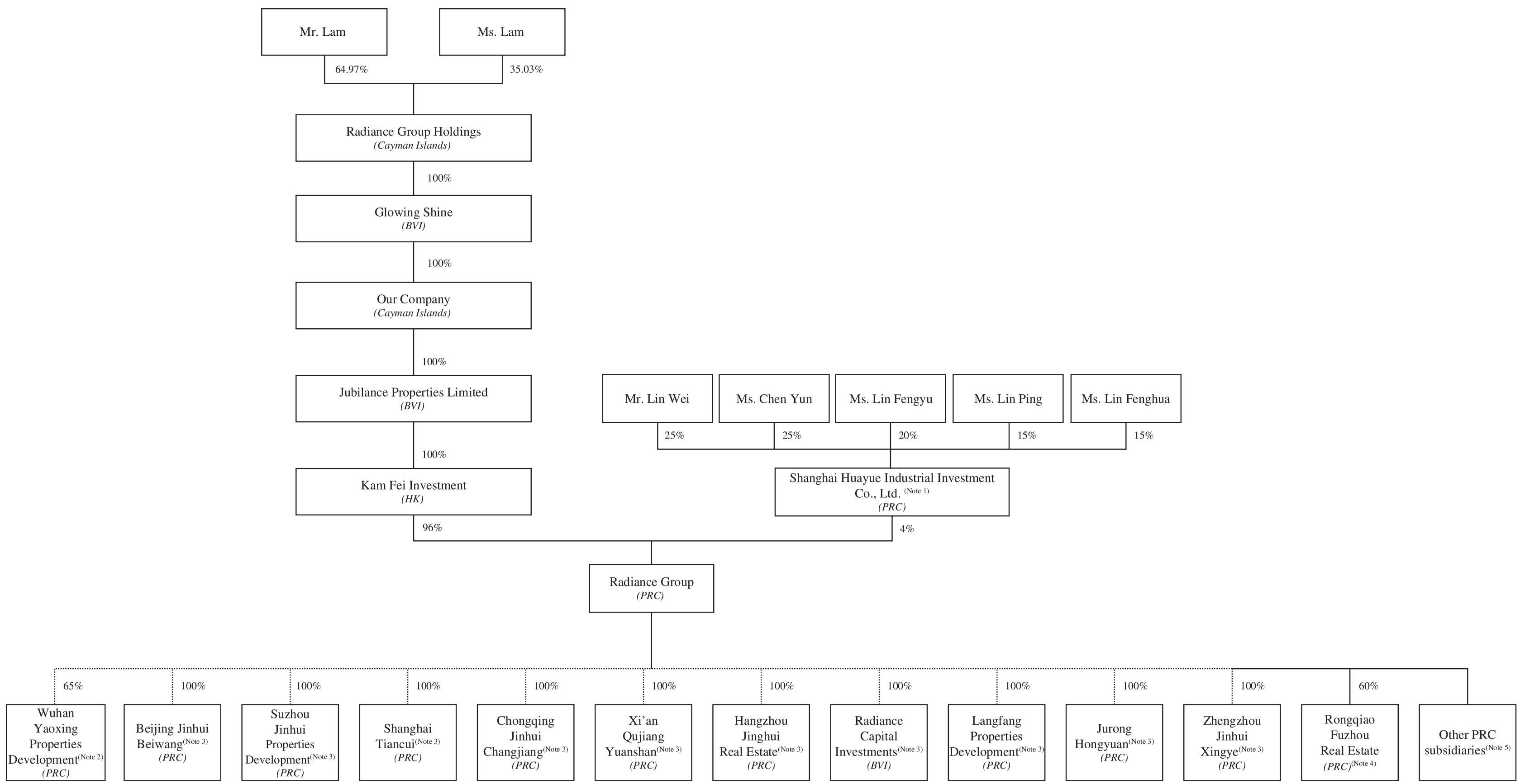
On October 5, 2020, our Company increased its authorized share capital to HK$100,000,000 by the creation of 9,962,000,000 additional Shares of nominal value of HK$0.01 each.

CAPITALIZATION ISSUE

Pursuant to the resolutions of our Shareholders passed on October 5, 2020, conditional on the share premium account of our Company being credited as a result of the Global Offering, our Directors are authorized to capitalize HK$33,999,999.98 standing to the credit of the share premium account of our Company by applying such sum in paying up in full at par 3,399,999,998 Shares for issue and allotment to holders of Shares whose names appear on the register of members of our Company on the date of passing such resolution in proportion (as near as possible without involving fractions so that no fraction of a share shall be issued and allotted) to their then existing respective shareholdings in our Company. The Shares to be issued and allotted pursuant to such resolution shall carry the same rights in all respects with the existing issued Shares.

CORPORATE STRUCTURE AFTER THE REORGANIZATION AND IMMEDIATELY BEFORE COMPLETION OF THE CAPITALIZATION ISSUE AND THE GLOBAL OFFERING

The following chart sets forth a simplified corporate structure of our Group after the Reorganization and immediately before the completion of the Capitalization Issue and the Global Offering:



Notes:

(1) Each of Mr. Lin Wei, Ms. Chen Yun, Ms. Lin Fengyu, Ms. Lin Ping and Ms. Lin Fenghua is Mr. Lam's relative or family member (as each of such terms is defined in the Listing Rules).

(2) The direct shareholder of Wuhan Yaoxing Properties Development, namely Wuhan Jinhui Real Estate, holds 80% of the issued capital of Wuhan Yaoxing, of which 15% is held on trust on behalf of 武漢茂田置業投資有限責任公司 (Wuhan Maotian Properties Investment Co., Ltd.), an Independent Third Party shareholder, for the purpose of ease of administration. The remaining 20% equity interest of Wuhan Yaoxing Properties Development is held by another Independent Third Party.

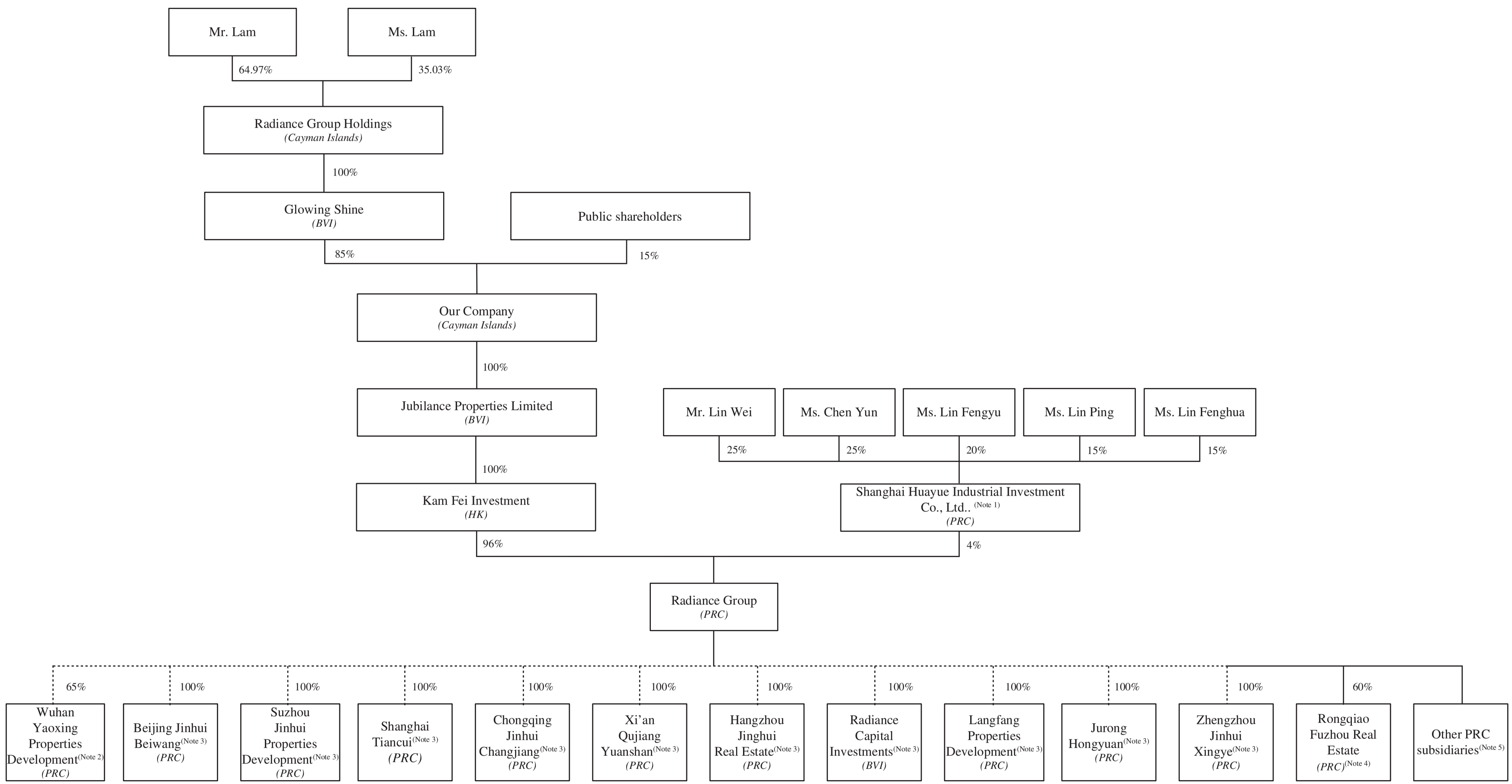
(3) Each of Beijing Jinhui Beiwang, Suzhou Jinhui Properties Development, Shanghai Tiancui, Chongqing Jinhui Changjiang, Xi'an Qujiang Yuanshan, Hangzhou Jinghui Real Estate, Langfang Qihui Properties Development, Jurong Hongyuan, Radiance Capital Investments and Zhengzhou Jinhui Xingye is an indirect wholly-owned subsidiary of Radiance Group.

(4) The remaining 40% equity interest of Rongqiao Fuzhou Real Estate is held by an Independent Third Party.

(5) The above chart includes shareholding information related to our major subsidiaries, details of which are set out in "— Our Corporate Development" in this section. For details of our subsidiaries, please refer to "Statutory and General Information — A. Further Information about our Group — 6. Particulars of our Subsidiaries" in Appendix V to this Prospectus.

CORPORATE STRUCTURE UPON COMPLETION OF THE CAPITALIZATION ISSUE AND THE GLOBAL OFFERING

The following chart sets forth a simplified corporate structure of our Group upon completion of the Capitalization Issue and the Global Offering (assuming the Over-allotment Option is not exercised and without taking into account any Shares which may be issued upon the exercise of any options which may be granted under the Share Option Scheme):



Notes:

(1) Each of Mr. Lin Wei, Ms. Chen Yun, Ms. Lin Fengyu, Ms. Lin Ping and Ms. Lin Fenghua is Mr. Lam's relative or family member (as each of such terms is defined in the Listing Rules).

(2) The direct shareholder of Wuhan Yaoxing Properties Development, namely Wuhan Jinhui Real Estate, holds 80% of the issued capital of Wuhan Yaoxing, of which 15% is held on trust on behalf of 武漢茂田置業投資有限責任公司 (Wuhan Maotian Properties Investment Co., Ltd.), an Independent Third Party shareholder, for the purpose of ease of administration. The remaining 20% equity interest of Wuhan Yaoxing Properties Development is held by another Independent Third Party.

(3) Each of Beijing Jinhui Beiwang, Suzhou Jinhui Properties Development, Shanghai Tiancui, Chongqing Jinhui Changjiang, Xi'an Qujiang Yuanshan, Hangzhou Jinghui Real Estate, Langfang Qihui Properties Development, Jurong Hongyuan, Radiance Capital Investments and Zhengzhou Jinhui Xingye is an indirect wholly-owned subsidiary of Radiance Group.

(4) The remaining 40% equity interest of Rongqiao Fuzhou Industrial is held by an Independent Third Party.

(5) The above chart includes shareholding information related to our major subsidiaries, details of which are set out in "— Our Corporate Development" in this section. For details of our subsidiaries, please refer to "Statutory and General Information — A. Further Information about our Group — 6. Particulars of our Subsidiaries" in Appendix V to this Prospectus.

PRC REGULATORY REQUIREMENTS

M&A Rules

On August 8, 2006, the Provisions on the Mergers and Acquisitions of Domestic Enterprises by Foreign Investors (《關於外國投資者併購境內企業的規定》) (the "**M&A Rules**") was jointly promulgated by six ministries and commissions, including MOFCOM, CSRC and SAFE, implemented on September 8, 2006 and amended on June 22, 2009 by MOFCOM.

According to Article 2 of the M&A Rules, "merger and acquisition of domestic enterprises by foreign investors" referred to in the M&A Rules shall mean that a foreign investor purchases the equity interest of a shareholder in a domestic non-foreign-invested enterprise ("domestic company") or subscribes for increased capital of a domestic company so as to convert such domestic company into a foreign-invested enterprise ("merger and acquisition of equity interest"); or, a foreign investor establishes a foreign-invested enterprise, through which it purchases and operates the assets of a domestic enterprise by agreement, or, a foreign investor purchases the assets of a domestic enterprise by agreement and then invests such assets to establish a foreign-invested enterprise and operates the assets ("merger and acquisition of assets"). According to Article 11 of the M&A Rules, the merger and acquisition of a domestic company with a related party relationship by a domestic company, enterprise or individual in the name of an overseas company legitimately incorporated or controlled by the domestic company, enterprise or individual shall be subject to examination and approval by MOFCOM. The parties involved shall not use domestic investment by foreign invested enterprises or other methods to circumvent the aforesaid requirements.

Since Fujian Jinhui Real Estate Co., Ltd. (福建金輝房地產有限公司), the predecessor of Radiance Group, was directly established by Kam Fei Company in 1996, the Foreign-invested Enterprise Law of the People's Republic of China (《中華人民共和國外資企業法》) and the Company Law of the People's Republic of China (《中華人民共和國公司法》) shall be applicable in this regard instead of the M&A Rules.

SAFE Registration

Pursuant to the Circular on Relevant Issues concerning Foreign Exchange Administration of Overseas Investment and Financing and Return Investments Conducted by Domestic Residents through Overseas Special Purpose Vehicles (《關於境內居民通過特殊目的公司境外投融資及返程投資外匯管理有關問題的通知》) (the "**Circular No. 37**"), promulgated by SAFE and which became effective on July 4, 2014, a PRC resident (the "**PRC Resident**") shall register with the local SAFE branch before he or she contributes the domestic assets or equity interests in an overseas special purpose vehicle, that is directly established or controlled by the PRC Resident for the purpose of conducting investment or financing.

According to the applicable PRC laws, regulations, since Mr. Lam and Ms. Lam are Hong Kong permanent residents, Mr. Lam and Ms. Lam are not considered as a PRC Resident for the purposes of the Circular 37, thus are not required to register with the SAFE according to the Circular No. 37.

Our PRC Legal Advisors have confirmed that all necessary government approvals and permits from the relevant PRC authorities in respect of the equity transfers and changes in registered capital of the PRC established companies in our Group under "— Our Corporate Development" in this section above have been obtained, and all the relevant legal procedures were completed in compliance with the relevant PRC laws and regulations. Our PRC Legal Advisors have further advised that, we have obtained all necessary approvals from the relevant PRC authorities required for the implementation of the Reorganization.

OVERVIEW

We are a reputable large property developer with national presence, regional focus and leading positions in select cities, and we focus on providing quality residential properties to first-time homebuyers and first-time upgraders. With over 20 years' experience, we have expanded our operations into five regions with strong economic growth potential in China, namely, the Yangtze River Delta, the Bohai Economic Rim, Southern China, Southwestern China and Northwestern China. We were ranked 36th in terms of comprehensive strengths among "2020 China's Top 50 Real Estate Developers" and were ranked as one of "China's Top 10 Real Estate Developers of Comprehensive Strength" by the China Real Estate Association and the China Real Estate Appraisal Center of E-house China Research Institute in 2020. We were ranked 37th in terms of comprehensive strengths among "China's Top 100 Real Estate Developers" by the Enterprise Research Institute of Development Research Center of the State Council, the Center for Real Estate of Tsinghua University and the China Index Academy in 2020, representing an improvement from the 38th place in 2019. We were also awarded "China's Top 30 Real Estate Developers of Brand Value" and "China's Top 10 Real Estate Developers of Brand Value's Growth Potential" by the China Real Estate Association and the China Real Estate Appraisal Center of E-house China Research Institute in 2018 and 2019, respectively. We were ranked as one of "China's Top 50 Real Estate Developers" by the China Real Estate Association and the China Real Estate Appraisal Center of E-house China Research Institute for seven consecutive years since 2014.

We strategically focus on providing quality and diversified residential properties to first-time homebuyers and first-time upgraders. We offer four residential property series to meet the differentiated needs and preferences of our target customers. New Block series (優步系) features creative and modern design with efficient use of interior spaces. Elite's Mansion series (雲著系) features the integration of smart-living facilities and artistic design to provide comfortable, convenient and smart-living experience to our customers. King's Garden series (銘著系) targets high-end customers, and we engage world-renowned architectural design firms to deliver an advanced design and a quality living experience. The Metropolitan series (大城系) features large-scale complexes of residential properties with commercial areas in the vicinity, aiming to build an integrated community offering a convenient and cozy living experience. We believe our proven track record is attributable to our strong execution capabilities and in-depth understanding of the markets and development trends in the regions in which we operate. We believe that over the years we have built a highly recognized brand name and accumulated a large customer base by consistently delivering quality property projects to our customers.

As of July 31, 2020, we had 160 property development projects at various stages of development, among which, 117 projects developed by our subsidiaries and 43 projects developed by our joint ventures and associates. As of July 31, 2020, our property development projects had a total GFA attributable to us of 29,081,757 sq.m., comprising (i) GFA available for sale, rentable GFA and rentable GFA for property investment for completed projects of 2,526,555 sq.m.; (ii) planned GFA for properties under development of 17,254,060 sq.m.; and (iii) estimated GFA for properties held for future development of 9,301,141 sq.m. As of the same date, 93.3% of total GFA attributable to us was located in second-tier cities and core third-tier cities. We believe that our large-scale and strategically located land bank will further contribute to our business growth.

In 2017, 2018 and 2019, our revenue amounted to RMB11,776.6 million, RMB15,971.2 million and RMB25,963.1 million, respectively, representing a CAGR of 48.5%. Our revenue amounted to RMB4,454.1 million and RMB2,929.2 million for the four months ended April 30, 2019 and 2020, respectively. In 2017, 2018 and 2019, our profit for the year amounted to RMB2,221.3 million, RMB2,299.9 million and RMB2,690.0 million, respectively, representing a CAGR of 10.0%. Our profit for the period amounted to RMB531.8 million and RMB182.0 million for the four months ended April 30, 2019 and 2020, respectively. In 2017, 2018 and 2019 and the four months ended April 30, 2020, our contracted sales amounted to RMB28.0 billion, RMB43.2 billion, RMB56.0 billion and RMB9.0 billion, respectively.

OUR STRENGTHS

We believe the following strengths have contributed to our success and will continue to distinguish us from our competitors:

A Reputable Large Property Developer with National Presence, Regional Focus and Leading Positions in Select Cities

As a reputable large property developer with national presence, regional focus and leading positions in select cities, we focus on providing quality residential properties to first-time homebuyers and first-time upgraders. Since our establishment in Fuzhou, Fujian Province in 1996, we have become a large property developer with national presence after 20 years of continuous growth, covering five regions with strong economic growth potential in China. As of July 31, 2020, our property portfolio consisted of 160 projects, among which, 117 property projects developed by our subsidiaries and 43 property projects developed by our joint ventures and associates, covering 16 provinces and municipalities in China. We were awarded “China’s Top 50 Real Estate Developers” by the China Real Estate Association for seven consecutive years since 2014. We were ranked 37th among “China’s Top 100 Real Estate Developers” by the Enterprise Research Institute of Development Research Center of the State Council, the Center for Real Estate of Tsinghua University and the China Index Academy in terms of comprehensive strengths in 2020, representing an improvement from the 38th in 2019, and ranked 36th in terms of comprehensive strengths among “2020 China’s Top 50 Real Estate Developers” by the China Real Estate Association in 2020. Leveraging our strong product development capability and quality residential projects, we have built the brand image of “Radiance” nationwide. We were awarded “China’s Top 30 Real Estate Developers of Brand Value” and “China’s Top 10 Real Estate Developers of Brand Value’s Growth Potential” by the China Real Estate Association in 2018 and 2019 consecutively, and were awarded “China’s Top 30 Real Estate Brand Value” and “China’s Top 10 Brands in Residential Property Development” by the China Index Academy in 2018 and 2019 consecutively.

We focus on five regions with strong economic growth potential in China, namely, the Yangtze River Delta, the Bohai Economic Rim, Southern China, Southwestern China and Northwestern China. Our land bank is widely located in these five regions, centering on the core city clusters of these regions. As of July 31, 2020, our total land bank was 29,081,757 sq.m., covering 31 cities in these regions. We strategically selected the cities in which we had presence as our regional headquarters in each such region and further expanded our presence in the region. We actively participate in the real estate investment and development in first-tier cities, and give priority to and focus on the second-tier cities with strong economic growth potential and population inflow. Currently, we have entered into cities such as Beijing, Shanghai, Suzhou, Nanjing, Hefei, Chongqing, Chengdu, Xi’an, Fuzhou and Hangzhou. In addition, we have expanded our presence to core third-tier cities with high economic growth potential and growing market demands, such as Foshan, Huizhou and Langfang. We believe that such second-tier cities and core third-tier cities are less susceptible to changes in relevant PRC laws and regulations and have growing market demands that will support our further development and growth. We aim to obtain leading market positions in cities that we believe to have strong growth potential. According to JLL, in 2019, we ranked top 3 in Xi’an and Huai’an and top 10 in Jingzhou and Fuzhou in terms of contracted sales of residential properties, were among top 5 in terms of the total site area of newly acquired land parcels of residential properties in Langfang and Shijiazhuang. According to JLL, during the three years ended December 31, 2019, we were among top 10 in Xi’an, Yangzhou, Jingzhou, Chongqing, Fuzhou and Huai’an in terms of contracted sales of residential properties, and were among top 10 in Fuzhou, Xi’an, Changsha, Shijiazhuang and Langfang in terms of the total site area of newly acquired land parcels of residential properties.

We believe that with our national presence, regional focus and leading positions in select cities, we are well positioned to capture the growth opportunities in China’s real estate industry.

Quality Land Bank Attributable to Prudent Land Acquisition Strategy and Flexible and Efficient Land Acquisition Methods

We aim for steady and sustainable development and have established a prudent land acquisition strategy. We have strict screening criteria for target land parcels. For example, we typically require a target land parcel to be in line with our overall development strategies, the city where the target land is located to have a healthy land reserve, the land price in such city to be stable, and the expected investment return to meet our financial indicators. We have also established a rigorous investment decision-making process for land acquisition. Our investment development departments at city, regional and group levels lead the investment decision-making process, and other departments also actively participate in the process and provide their inputs. In addition, to effectively control our land acquisition costs, we determine suitable ways to acquire land according to conditions of each land parcel.

During the Track Record Period, in addition to acquiring land through public tender, auction or listing-for-sale, we also obtained land by acquiring equity interest in companies that own land use rights to certain land parcels. For instance, Xi'an, as the capital of Shaanxi Province and a key city of the Belt and Road Initiative, has a solid economy and is expected to experience significant population inflow. However, the land appreciation rate of Xi'an before 2017 lagged behind those comparable capital cities in China during the same period. Therefore, we kept monitoring the availability of land in Xi'an, aiming to capture opportunities to acquire suitable land parcels. In 2017, we increased the total land bank by approximately 0.6 million sq.m. by acquiring a local property development company in Xi'an. The newly acquired land parcel is located in a new urban area of Xi'an, where the land price is relatively low but has strong appreciation potential since the area has convenient transportation, a comfortable living environment, and ancillary facilities under construction. Subsequently in 2018 and 2019, we further acquired several additional land parcels in Xi'an, increasing the land bank by approximately 0.3 million sq.m. These acquired land parcels have helped us establish our leading position in Xi'an. In addition, we cooperate with other leading property developers in land acquisition and development in order to leverage our respective strengths and consolidate our respective resources.

With our prudent land acquisition strategy and flexible and efficient land acquisition methods, we have accumulated a quality land bank at relatively low land acquisition costs in strategic locations with strong growth potential. Our land bank is widely located in five regions, namely, the Yangtze River Delta, the Bohai Economic Rim, Southern China, Southwestern China and Northwestern China, centering on the core city clusters in these regions. As of July 31, 2020, our land bank in the five regions was 4,006,171 sq.m., 5,300,069 sq.m., 5,026,649 sq.m., 7,618,062 sq.m. and 7,130,806 sq.m., respectively, accounting for 13.8%, 18.2%, 17.3%, 26.2% and 24.5% of the total land bank, respectively. Besides, our land bank is mainly located in the second-tier cities and core third-tier cities which have steady market demands but are less susceptible to relevant PRC laws and regulations. As of July 31, 2020, our land bank in first-tier cities, second-tier cities, core-third-tier cities and other cities was 349,486 sq.m., 23,666,766 sq.m., 3,449,905 sq.m. and 1,615,600 sq.m., respectively, among which the land bank in the second-tier cities and core third-tier cities accounted for 93.3% of the total land bank. We believe that our land bank with strategic geographical advantages will provide strong support for our long-term growth.

Focus on Providing Quality and Diversified Residential Properties to First-time Homebuyers and First-time Upgraders

We focus on providing quality and diversified residential properties to first-time homebuyers and first-time upgraders. According to JLL, home purchasers who buy a residential property with a GFA less than 90 sq.m. are mostly first-time homebuyers, while those who buy a residential property with a GFA of 90 sq.m. to 120 sq.m. are mostly first-time upgraders. According to JLL, in 2019, the total sold units of residential properties with a

GFA less than 90 sq.m. accounted for approximately 24.0% of the total sold units of residential properties in China, while the total sold units of residential properties with a GFA of 90 sq.m. to 120 sq.m. accounted for approximately 41.6% of the total units of residential properties in China. As our target customers are first-time homebuyers and first-time upgraders, the largest customer group in the market, and we focus on second-tier cities and core third-tier cities, our property development and sales are less susceptible to the relevant PRC laws and regulations.

Our flagship product series, New Block series and Elite's Mansion series, are designed to meet the demands of first-time homebuyers and first-time upgraders. New Block series is designed to provide first-time homebuyers with properties of high cost efficiency. While enabling our customers to have their own properties, New Block series also creates a convenient multi-functional space for our customers. Our New Block series was awarded "China's Top 10 Brand of Real Estate Project Series" by the China Index Academy in 2019. Our Elite's Mansion series is designed to provide comfortable properties for customers in need of home upgrading. In addition, Elite's Mansion series features the integration of smart-living facilities and artistic design to provide comfort, convenient and smart-living experience to our customers. For instance, if requested by our customers, we will install water and air purification system, smart lighting system and smart security system in properties of Elite's Mansion series. Our Elite's Mansion series was awarded "China's Top 10 Brand of Real Estate Prime Project" by the China Index Academy in 2018. As of July 31, 2020, among our total 160 projects, 56 projects were New Block series, 39 projects were Elite's Mansion series, with an aggregate GFA attributable to us of 9,329,596 sq.m. and 7,468,234 sq.m., respectively, accounting for 32.1% and 25.7% of the total GFA attributable to us, respectively.

In addition, we have also developed King's Garden series and Metropolitan series to meet the demands of different customer groups. King's Garden series is designed to provide high-end customers with quality properties to meet their luxury housing needs. We engage world-renowned architectural design firms to deliver advanced design and quality living experiences. A property project of the King's Garden series, Jinhui East King's Garden in Xi'an, was awarded "2019 Best Brand of China Real Estate Projects" by China Real Estate Association. Another property project of our King's Garden series, Zhongyang King's Garden in Chongqing, was awarded "2018 Best Brand of China Real Estate Projects" by China Real Estate Association. We also developed Metropolitan series which is designed to build an integrated community to provide convenient and comfortable living experience for customers with different needs.

We believe that our product design strategy and diversified product portfolio enable us to attract various sub-groups of first-time homebuyers and first-time upgraders, thus strongly supporting our sustainable growth.

Rapid Asset Turnover Underpinned by Standardized Development Processes and Strong Execution Capabilities

We have established a standardized property development process, covering site selection and land acquisition, financing, project design, contracting and procurement, construction and quality control, marketing, pre-sales and delivery. We develop a detailed development plan for each project, setting forth the main work streams in the project development process as well as the target completion time and the responsible departments, personnel and other relevant parties. Meanwhile, we conduct standardized control on the development process, unify the operational process of each project company, and strengthen the standardization and modularization of the development process. The standardized development process enables us to efficiently complete project development while ensuring project quality.

We have strong execution capabilities. We have established a flat organizational structure composed of three levels: group, region and city. Such flat organizational structure ensures the effectiveness of the headquarters' decision-making and facilitates our headquarters to monitor market trend and business development in a timely manner, while at the same time providing sufficient autonomy to regional and city companies. We develop internal guidelines that are updated from time to time, and monitor the implementation of the internal guidelines. In addition, we work closely with external design firms, contractors and suppliers to effectively control the cost, quality and progress of our projects.

Leveraging our standardized development process and strong execution capabilities, we aim to improve our profitability and maintain stable cash flow through rapid asset turnover and rapid destocking. We have classified over a hundred check points involved in project development into milestone check points, group-level check points and regional-level check points, and have established an operation system to control all the check points and track project progress. We typically require the approval of a development plan to be completed within 110 days, pre-sales to commence within 8 months, and delivery to be completed within 24 to 30 months, respectively, after entering into the relevant land grant contracts. For instance, the pre-sales of our New Block Garden in Xi'an commenced within seven months after our acquisition of the relevant land parcel, and the GFA sold reached 78% of the total saleable GFA in eight months after commencement of pre-sales. The pre-sales of our Suzhou Jiangnan Elite's Mansion Garden, started in seven months after land acquisition, and the GFA sold reached 94% of the total saleable GFA in five months after commencement of pre-sales. In addition, within the given limit of price adjustment in compliance with relevant PRC laws and regulations, a dedicated team of our sales and marketing personnel adjust the price of a project in a timely manner according to the market conditions to help us achieve rapid destocking while maintaining profitability of such project. We also emphasize the balance between rapid asset turnover and project quality. We believe that the standardized development process enables us to effectively control project quality, maintain operational efficiency, efficiently expand into new markets and improve shareholder returns.

Stable and Diversified Financing Channels

We use a variety of financing channels to meet the capital needs of our operation and property development. We mainly obtain financing through bank loans, trust financing and other financing arrangements with financial institutions. We have maintained a long-term relationship with China's four major state-owned banks as a direct client of their headquarters. As of April 30, 2020, we had obtained approximately RMB109,400.0 million of credit facilities from banks and other financial institutions, and approximately RMB65,260.0 million of these credit facilities were unutilized. We believe sufficient facilities provide strong support for our business operation and expansion. In addition, we have also gained access to capital markets for debt financing. We have issued several corporate bonds and ABS in China. We also actively explore overseas financing channels. Radiance Capital Investments, an indirect wholly-owned subsidiary of Radiance Group, issued senior notes in an aggregate amount of US$250.0 million in October 2019, US$300.0 million in January 2020 and US$250.0 million in June 2020, respectively. Leveraging our strong credit profile and long-term relationships with financial institutions, we are able to obtain financing at competitive costs. Our weighted average effective interest rate is relatively low, which helps us to maintain the profitability of each project. The weighted-average interest rates for our bank and other borrowings, senior notes, corporate bonds and ABS, which represent the actual borrowing costs incurred for these borrowings during the year or period divided by the weighted average borrowings that were outstanding as of December 31, 2017, 2018 and 2019 and April 30, 2020 were 7.25%, 7.65%, 7.76% and 7.99%, respectively. We believe that our access to stable and diversified financing channels will continue to contribute to our sustainable growth.

Experienced Senior Management Team and Highly Qualified Talents

Our success depends on our professional and experienced management team. Our Chairman, executive Director and president, Mr. Lam, has over 25 years of experience in real estate industry. As the founder of the Group, Mr. Lam possesses forward-looking strategic vision, which helps us to make timely and appropriate decisions on business development and product positioning. Under the leadership of Mr. Lam, we have developed the corporate values of "customer first, accountability, openness and inclusiveness, innovation, integrity and pragmatism" (客戶第一、勇於擔當、開放包容、創新、誠信和務實) to guide our daily operations. Our executive Director, Mr. Lam Yu, has extensive experience in real estate industry. After joining the Group in 2011, Mr. Lam Yu has held different management positions in several of our subsidiaries. Since 2015, Mr. Lam Yu has been responsible for the management of several departments of our headquarters, and has accumulated extensive experience in execution and management. Mr. Lam Yu was awarded the Top 100 Real Estate Enterprises Contribution Award (中國房地產百強企業貢獻人物) by China Index Academy in 2020. Our management team remains stable with an average of over ten years with the Group. We believe that our senior management team's extensive work experience, outstanding leadership and market forecasting capabilities enable us to better understand the development and change of China's real estate market and to accurately capture market opportunities.

In addition, we have a team of capable employees. They have extensive experience in property development, planning, design, construction, financing and other related fields. By providing various training programs, we strive to facilitate our employees' career development, further enhance their professional skills and sense of belonging to the Group. Our training programs consist of "Radiance Kickstart Program (輝動力計劃)" for outstanding entry-level graduates, "Radiance Wing Program (金翼計劃)" for junior managers, "Radiance Leader Program 1.0 (千里馬計劃1.0)" and "Radiance Eagle Program (金鷹計劃)" for mid-level managers, "Radiance Leader Program 2.0 (千里馬計劃2.0)" for mid-level to senior managers and "Radiance Captain Program (艦長計劃)" for senior managers. In the meantime, we provide employees with specialized external training, such as a training system for city-level managers and project managers, to further improve our employees' specialized skills.

We believe that under the leadership of our experienced management team and supported by our quality talents, we will be able to achieve long-term sustainable growth.

OUR STRATEGIES

Our mission is to "build properties with craftsmanship and make better homes (用心建好房，讓家更美好)" and we are devoted to improving the quality of our products and services through continuous innovation. We aim to become a trustworthy leading property developer in the PRC. In light of this, we plan to implement the following strategies:

Continue to Focus on Key Regions and Further Strengthen Our Market Position

We plan to continue to focus on the five regions, namely, the Yangtze River Delta, the Bohai Economic Rim, Southern China, Southwestern China and Northwestern China, and strengthen our market position in these regions by further expanding our market shares therein. We plan to continue our focus on second-tier cities and core third-tier cities in the regions that we have entered into. We believe markets of these cities have strong growth potential to support our further development because such cities have solid economy, high population inflow and are less susceptible to relevant PRC laws and regulations.

At the same time, we plan to enter into cities out of these five regions. We have a set of screening principles for the new cities we plan to enter into, which are structured from macro, meso and micro perspectives, respectively. We focus macro analysis on the macro-economic data of a target city, including economic vitality, industrial structures, activeness of investment and per capita purchasing power, as well as demographic data including population base, age structure and capacity to retain migrant populations. For example, the integrated development of the Yangtze River Delta, a national strategy to foster regional economic growth, is expected to further boost the economic development of Jiangsu Province, Zhejiang Province, Anhui Province and Shanghai municipality, and to further increase the value of investments in this region. Therefore, we plan to fully cover the "quality cities" in the Yangtze River Delta and enter into new cities. We also focus on core cities in Southern China and plan to expand our coverage in this region. From a meso perspective, we analyze the development of the real estate industry in a target city, including *status quo* of the city's real estate industry, regulatory policies, the investment intensity of the industry, the updating pace of land supply and the market demand for land. At the micro level, we observe indicators such as the relationship between quantity and price of projects in the city and the performance of other developers' projects. For example, we intend to give priority to cities with large populations, large market capacity and relatively low market prices such as Changsha.

We also intend to develop quality commercial properties in first- and second-tier cities, and acquire quality assets as a supplement to our development of residential properties.

Continue to Expand Quality Land Bank through Diversified Land Acquisition Methods

We will continue to expand our land acquisition methods. We plan to take advantage of our experience and land acquisition strategies to establish joint ventures with comparable property developers or other regional leading third-party business partners in possession of land parcels. We believe such cooperation will enable us to obtain more information on available land and financing resources for property development. In addition to acquiring lands through public tenders, auctions and listings-for-sale, we also plan to flexibly acquire lands by means of acquisition of equity interests, asset acquisition, capital injection or joint venture. Meanwhile, we also plan to adopt different channels and methods for land acquisition based on the characteristics of different regions. For example, we plan to expand our land bank primarily by acquisitions in areas where markets for public tenders, auctions and listings-for-sale are immature. While in areas where the real estate market is substantially developed and land parcels available through public tenders, auctions and listings-for-sale are limited, but flexible operational modes of urban redevelopment projects exist, we obtain quality land through cooperation with third-party property developers who have already been involved in such urban redevelopment projects.

Continue to Enhance the Competitiveness of Our Products in Design and Quality and Empower Our Products with Smart Technology to Improve Customer Satisfaction

We plan to continue our focus on first-time homebuyers and first-time upgraders, and continue to refine the positioning of four product lines to improve customer satisfaction. For our New Block series which targets first-time homebuyers by providing cost-effective properties, we plan to make full use of space through compact design and provide more functional areas for customers to further improve the cost performance of properties. For our Elite's Mansion series which targets first-time upgraders by providing comfortable properties, we aim to build a technologically innovated community featuring cost efficiency, modern architectural style, multi-functional extensible space, interconnected health system, smart home equipment and community sharing space. For our King's Garden series which targets high-end customers by providing quality and comfortable properties, we are committed to providing customized products catering to different residential habits and preferences in each region, and further improving the quality and comfort of such products. Our Metropolitan series are large-scale complexes of residential communities with commercial areas in the vicinity. We tailor the design of properties of this series according to local conditions, aiming to create a harmonious community for our customers. We also empower our products with smart technology and we are committed to creating "smart and healthy" living spaces. We plan to provide our customers with a smart-living experience by pre-installing four basic smart modules, namely, smart lighting control, smart curtain, smart environment control and smart security control, and by providing five control modes, namely, local panel control, mobile app control, voice control, scene control and cloud control. By further upgrading and optimizing our existing products, we endeavor to provide our customers with products of high quality and better design to further improve customer satisfaction.

Continue to Implement Prudent Financial Policies, Optimize Capital Structure and Improve Shareholder Returns

In order to maintain sustainable development and maximize returns for our shareholders, we plan to continue to apply prudent financial policies to control development costs and monitor our cash flow. Meanwhile, we intend to improve shareholder returns by optimizing capital structure and improving operational efficiency and capital utilization efficiency.

We plan to continue implementing prudent financial policies to control our land acquisition costs and construction costs. We also plan to continue our centralized procurement and take measures to monitor our administrative expenses as well as sales and marketing expenses to control our development costs. In the meantime, we regularly review and verify the costs incurred for our projects to ensure that the relevant costs do not exceed the respective budget. Moreover, we closely monitor key financial indicators such as asset liability ratio and interest coverage ratio, and prudently manage the capital structure, cash flow and liquidity position in order to control costs and monitor risks.

We also aim to continuously improve shareholder returns by optimizing capital structure, improving operational efficiency and capital utilization efficiency. We plan to further optimize our capital structure by diversifying our financing channels. In terms of financing management, we intend to balance the time value of money and costs of capital, and to efficiently allocate short- and long-term debts through multiple and flexible financing channels in an effort to reduce financing costs. We plan to further optimize the flat management structure and improve internal decision-making efficiency by streamlining the internal approval process and the decision-making process. At the same time, we intend to further optimize the standardized operational procedures to facilitate project development and sales and speed up asset turnover. We will also continue to monitor our working capital and reduce unutilized capital after meeting the operational needs and short-term debt obligations to further improve the efficiency of capital utilization.

Expand Our Talent Pool to Improve Efficiency and Performance

We are people-oriented. We believe that our success and sustainable development are dependent on our ability to attract and retain high-quality professionals. We plan to further attract and recruit professionals to expand our talent pool. We intend to continue to provide systematic internal training and specialized external training to further enhance our employees' professional skills and execution capabilities. At the same time, we plan to provide employees with competitive remuneration and benefits packages, and standardize and improve the assessment process in order to optimize our promotion channel and remuneration system. We aim to effectively utilize our employee competition mechanism and retain and motivate our talented and experienced employees.

OUR BUSINESS

During the Track Record Period, we mainly derived our revenue from development and sales of residential properties and commercial properties. We also derived revenue from providing property management services, leasing commercial properties, and providing management consulting services to our joint ventures and associates for the overall operation of property projects.

In 2017, 2018 and 2019, our revenue amounted to RMB11,776.6 million, RMB15,971.2 million and RMB25,963.1 million, respectively, representing a CAGR of 48.5%. Our revenue decreased by 34.2% from RMB4,454.1 million for the four months ended April 30, 2019 to RMB2,929.2 million for the four months ended April 30, 2020. The table below sets forth a breakdown of our revenue by business line for the periods indicated:

	Year ended December 31,						Four months ended April 30,			
	2017		2018		2019		2019		2020	
	RMB'000	%	RMB'000	%	RMB'000	%	RMB'000 (Unaudited)	%	RMB'000	%
Property development and sales	11,285,961	95.8	15,149,795	94.9	25,037,479	96.4	4,152,298	93.2	2,773,249	94.7
Residential	10,197,505	86.6	14,250,768	89.3	24,191,695	93.2	4,092,315	91.9	1,563,433	53.4
Commercial	1,088,456	9.2	899,027	5.6	845,784	3.2	59,983	1.3	1,209,816	41.3
Property management services(1)	357,095	3.0	480,542	3.0	517,219	2.0	172,114	3.9	—	—
Property leasing	125,668	1.1	279,029	1.7	352,782	1.4	106,331	2.4	120,032	4.1
Management consulting services	7,875	0.1	61,817	0.4	55,628	0.2	23,370	0.5	35,919	1.2
Total	11,776,599	100.0	15,971,183	100.0	25,963,108	100.0	4,454,113	100.0	2,929,200	100.0

Note:

(1) To focus our resources primarily on property development and sales, we disposed of property management business as part of the Reorganization and the disposal was completed in December 2019.

OUR PROPERTY DEVELOPMENT BUSINESS

Overview

We develop a variety of quality residential properties, mainly including mid- to high-end residential properties with first-time homebuyers and first-time upgraders as our main target customers. Our residential properties are branded into four series:

- the New Block series (優步系) (also known as "Comfort Series"): comprising residential properties mainly targeting first-time homebuyers. The New Block series features creative and modern design, and offers a "7U" community to our customers, comprising (i) U-Transportation — convenient access to various transportation facilities; (ii) U-Resources — easy access to community services and ancillary facilities; (iii) U-Growth — high-quality educational resources; (iv) U-Style — artistic design and landscaping; (v) U-Neighborhood — access to membership clubs in the community; (vi) U-Service — sophisticated technology to facilitate smart living; and (vii) U-Product — space-efficient properties offering quality living environment. The design of properties of the New Block series focuses on the efficient utilization of interior spaces and aims to provide multi-functional spaces to our customers. Properties of the New Block series generally can provide a comfortable living environment to a three-generation family.

- the Elite's Mansion series (雲著系) (also known as "Cloud Series"): comprising apartments featuring smart home design for the modern-living generation and targeting first-time upgraders. We incorporate smart living facilities into artistic architectures to provide comfort, convenient and smart-living experience to our customers. We established a smart community based on Internet of Things, big data and artificial intelligence, which consists of eight components: smart home, smart security, smart transportation, smart property management, smart logistical support, smart operation, smart health and smart sharing. Specifically, our properties are equipped with facial recognition devices and license plate recognition devices to facilitate homeowners' entrance and exit. If requested by our customers, we may install water purification system, air purification system, smart lighting system and smart security system. We aim to harmoniously integrate technology with humanity and provide a healthy and smart-living environment.

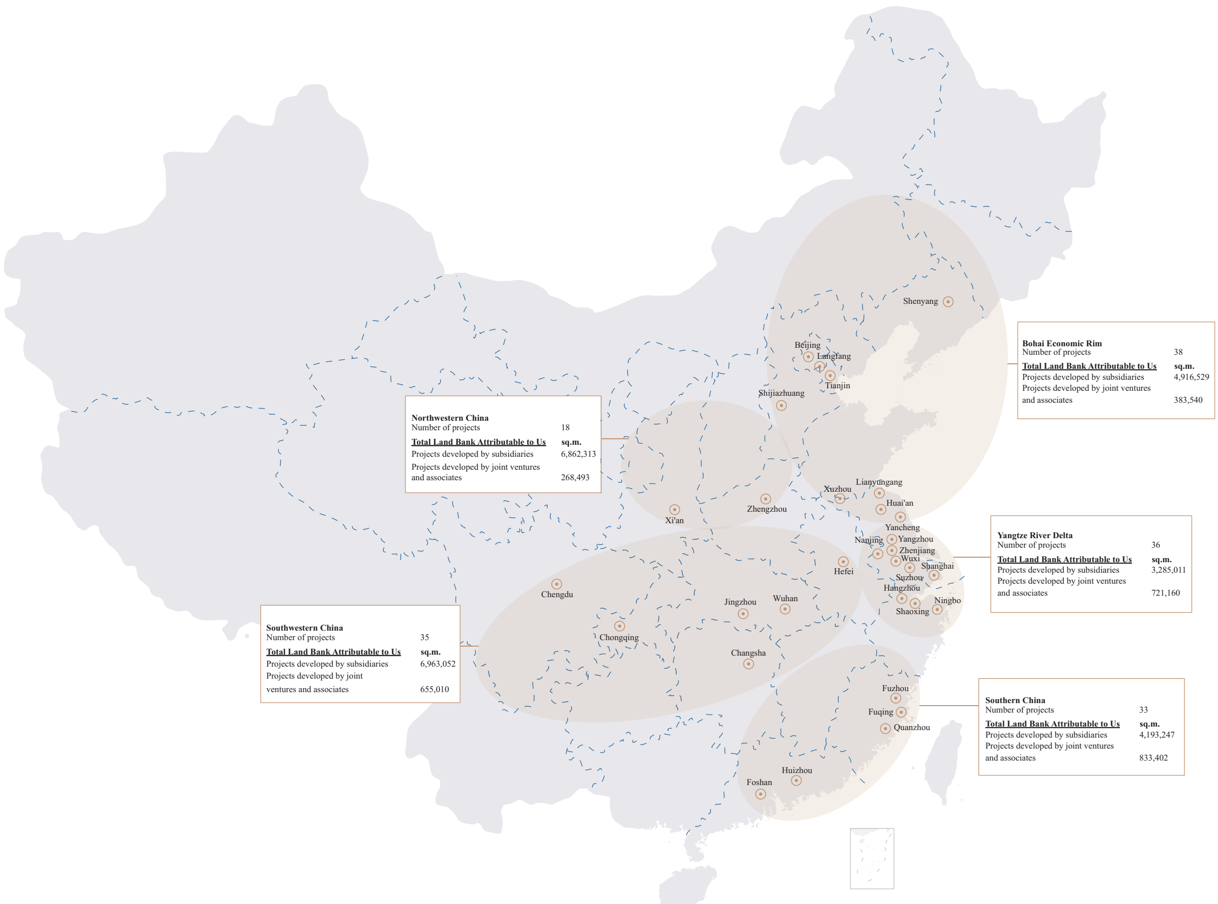
- the King's Garden series (銘著系) (also known as "Mansion Series"): comprising apartment buildings and standalone villas targeting high-end customers. We partner with world-renowned architectural design firms, such as Shanghai Lacime Architecture Design Co., Ltd. (上海日清建築設計有限公司), to deliver advanced design and quality living experiences. High-quality materials are used in interior decoration and high-end equipment is installed. Projects of the King's Garden series are located in prime locations in first- and second-tier cities with convenient access to various resources and facilities in the respective city.

- The Metropolitan series (大城系): comprising large-scale complexes of residential communities with commercial areas in the vicinity, such as shopping malls and shopping streets. Projects of this series consist of different types of residential buildings to accommodate customers with different needs. We also tailor the design of each project of this series according to characteristics of the respective land parcel and the surrounding environment.

Along with our residential property projects, we also develop commercial properties and retain ownership of a portion of our commercial properties for leasing. Our commercial properties mainly include office buildings, shopping malls and commercial blocks of shopping streets. See "— Property Leasing."

As of July 31, 2020, we had 160 property development projects at various stages of development, among which, 117 projects developed by our subsidiaries and 43 projects developed by our joint ventures and associates. As of July 31, 2020, our property development projects had a total GFA attributable to us of 29,081,757 sq.m., comprising (i) GFA available for sale, rentable GFA and rentable GFA for property investment for completed projects of 2,526,555 sq.m.; (ii) planned GFA for properties under development of 17,254,060 sq.m.; and (iii) estimated GFA for properties held for future development of 9,301,141 sq.m.

The map below shows the geographical locations and key information of our projects as of July 31, 2020:



Classification of Our Property Projects

Our classification of properties reflects the basis on which we operate our business and may differ from classifications employed by other developers. The table below sets forth our classification of properties and the corresponding classification of properties in the Property Valuation Report set out in Appendix III and the Accountants' Report set out in Appendix I:

Our Classification	Property Valuation Report	Accountants' Report
Completed properties, comprising properties with certificates of completion (including completed properties that have been sold)	• Group I — Properties held for sale by the Group in the PRC • Group II — Properties held for investment by the Group in the PRC • Group III — Properties held and occupied by the Group in the PRC	• Completed properties held for sale • Investment properties
Properties under development, comprising properties for which we have obtained the construction work commencement permits but not yet obtained the certificates of completion	• Group IV — Properties held under development by the Group in the PRC	• Investment properties • Properties under development

Our Classification	Property Valuation Report	Accountants' Report
Properties held for future development, comprising properties for which we have obtained the land use right certificates and intend to hold for future development and properties for which we have not obtained the land use right certificates, but have entered into land grant contracts	• Group II — Properties held for investment by the Group in the PRC • Group V — Properties held for future development by the Group in the PRC • Group VI — Properties contracted to be acquired by the Group in the PRC	• Properties under development • Prepayments for acquisition of land use rights

Site Area and GFA

The site area information in this Prospectus is calculated on the following basis:

- when we have received the land use right certificates, as specified in such land use right certificates; and

- before we have received the land use right certificates, as specified in the relevant land grant contracts related to the projects excluding, however, areas earmarked for public infrastructure such as roads and community recreation zones.

The GFA information in this Prospectus is calculated on the following basis:

- for completed projects and phases, if we have obtained records of acceptance examination upon project completion, as specified in certificates of completion or, where such records are not yet available, based on our internal records and estimates;

- for projects and phases under development or held for future development,

  (a) if we have obtained the construction work planning permits or the construction work commencement permits, as specified in such permits; and

  (b) if we have not yet obtained the construction work planning permits or the construction work commencement permits, as specified in land grant contracts or based on our internal records and estimates;

- if we have obtained the pre-sale permits for the projects, the GFA available for sale information refers to the GFA available for sale in these permits.

Non-saleable GFA as used in this Prospectus comprises rentable GFA and rentable GFA held for Property Investment as well as the GFA for certain ancillary facilities, such as greenery area and spaces designed as civil air defense properties, for which pre-sale permits will not be issued. GFA available for sale as used in this Prospectus refers to the GFA exclusive of non-saleable GFA. GFA available for sale is further divided into GFA pre-sold but yet to be delivered and GFA unsold and available for sale. A property is pre-sold when we have executed the purchase contract but yet delivered the property to the customer. A property is considered sold after we have executed the purchase contract with a customer and have delivered the property to the customer.

Total GFA available for sale is calculated as follows:

- for properties and phases that are completed, refers to GFA pre-sold but yet to be delivered, GFA unsold and available for sale;

- for properties and phases under development, based on the relevant pre-sale permit, or based on the construction work planning permits or the construction work commencement permit if the pre-sale permit is not available, or based on other documentation issued by the relevant governmental authorities if such permits are not available; and

- for properties and phases that are held for future development, based on our internal records and development plans. The total GFA we intend to sell does not exceed the multiple of site area and the maximum permissible plot ratio as specified in the relevant land grant contracts or other approval documents from the local governments relating to the project.

As some of our projects comprise multiple-phase developments on a rolling basis, these projects may comprise different phases that are at various stages of completion, under development or held for future development.

Land Bank and Property Portfolio

Our land bank represents the sum of (i) GFA available for sale, total rentable GFA and total rentable GFA held for property investment for completed properties, which also includes completed GFA that have been pre-sold but not yet delivered; (ii) total planned GFA for properties under development; and (iii) total estimated GFA for properties held for future development. Total land bank represents the total land bank of projects developed by our subsidiaries and the land bank attributable to us of projects developed by our joint ventures and associates.

We assess the level of involvement and cooperation with third-party business partners in our project companies on a case-by-case basis. Typically, our involvement at different stages of project development and sales process in each of such project companies would commensurate with the proportion of our equity interests or investment in the project company and subject to the negotiated terms and conditions with the third-party business partners. In each of such project companies, our cooperation arrangement with the third-party business partners usually specifies the primary responsible party of the project company, our roles in the day-to-day management of the project company, which mainly comprise of the representation on shareholders' meeting and as board of directors' meetings and the assignment of staff and personnel to manage one or more aspects of the operation of the relevant project companies including but not limited to budget control, operation management, cost control, marketing, financial management, human resource management and administrative management, and our profit and loss sharing arrangement, at different levels.

Our projects companies are classified into three types, namely, subsidiaries, joint ventures and associates in accordance with the level of involvement and power on the management and operation of these project companies, including our representation on their decision-making authorities, such as shareholders' meeting and board of directors' meetings, as well as other facts and circumstances. A project company is our subsidiary if we have the control over the operation activities of the entity which determine the variable returns of the project company. A project company is our joint venture if the operation of the entity shall be resolved by all shareholders on a unanimous basis according to its shareholders agreement(s), article of association or rules of board meetings when there are side agreements among shareholders. A project company is our associate if we cannot control or jointly control the operation of the entity. Control is achieved when we are exposed, or have rights, to variable returns from our involvement with the investee and have the ability to affect those returns through our power over the investee. For further details, please see Notes 2.4, 3, 17 and 18 to the Accountants' Report in Appendix I to this Prospectus.

In addition, we provide management consulting services to our joint ventures and associates for those projects that we develop by cooperating with third-party business partners through joint ventures and associates, mainly including supporting and consulting services provided to these entities in connection with the design, sales and marketing of properties, and overall project management during the development and sales of properties.

Our total land bank amounted to 29,081,757 sq.m. as of July 31, 2020, consisting of residential properties with an aggregate GFA attributable to us of 25,630,941 sq.m. and non-residential properties with an aggregate GFA attributable to us of 3,450,816 sq.m. The table below sets forth a breakdown of our land bank as of July 31, 2020 in terms of geographical location and by city tier:

		Completed			Under Development	Future Development		
	Number of Projects	GFA Available for Sale[(1)]	Rentable GFA[(2)]	Rentable GFA for Property Investment[(3)]	Planned GFA Under Development[(4)]	Estimated GFA for Future Development[(5)]	Total Land Bank Attributable to Us[(6)(7)]	% of Total Land Bank
		(in sq.m.)	(in sq.m.)	(in sq.m.)	(in sq.m.)	(in sq.m.)	(in sq.m.)	
In terms of geographical location:								
Property Projects Developed by Our Subsidiaries								
Yangtze River Delta								
Zhejiang Province	8	—	—	—	811,306	382,634	1,193,940	4.1%
Hangzhou	2	—	—	—	255,372	—	255,372	0.9%
Ningbo	2	—	—	—	71,472	204,400	275,872	0.9%
Shaoxing	4	—	—	—	484,462	178,234	662,696	2.3%
Jiangsu Province (South)	13	56,030	3,319	36,464	1,426,387	500,504	2,022,704	7.0%
Nanjing	1	—	—	—	149,638	—	149,638	0.5%
Suzhou	7	56,030	3,319	36,464	429,763	172,603	698,179	2.4%
Wuxi	1	—	—	—	—	327,901	327,901	1.1%
Yangzhou	2	—	—	—	457,182	—	457,182	1.6%
Zhenjiang	2	—	—	—	389,804	—	389,804	1.3%
Shanghai Municipality	2	18,514	19,231	30,622	—	—	68,367	0.2%
Sub-total	**23**	**74,544**	**22,550**	**67,086**	**2,237,693**	**883,138**	**3,285,011**	**11.3%**

	Number of Projects	Completed: GFA Available for Sale(1)	Completed: Rentable GFA(2)	Completed: Rentable GFA for Property Investment(3)	Under Development: Planned GFA Under Development(4)	Future Development: Estimated GFA for Future Development(5)	Total Land Bank Attributable to Us(6)(7)	% of Total Land Bank
		(in sq.m.)	(in sq.m.)	(in sq.m.)	(in sq.m.)	(in sq.m.)	(in sq.m.)	
Bohai Economic Rim								
Beijing Municipality	2	—	3,237	102,975	174,907	—	281,119	1.0%
Tianjin Municipality	6	9,097	—	—	738,570	—	747,667	2.6%
Hebei Province	8	13,085	—	—	809,720	340,719	1,163,524	4.0%
Shijiazhuang	7	13,085	—	—	527,907	166,814	707,806	2.4%
Langfang	1	—	—	—	281,813	173,905	455,718	1.6%
Liaoning Province	1	—	—	—	248,741	—	248,741	0.9%
Shenyang	1	—	—	—	248,741	—	248,741	0.9%
Jiangsu Province (North)	14	111,225	64,888	—	1,570,813	728,551	2,475,478	8.5%
Yancheng	2	254	—	—	133,644	101,390	235,288	0.8%
Huai'an	7	37,050	31,644	—	925,403	554,354	1,548,452	5.3%
Lianyungang	3	73,921	33,244	—	234,652	72,807	414,624	1.4%
Xuzhou	2	—	—	—	277,114	—	277,114	1.0%
Sub-total	**31**	**133,407**	**68,125**	**102,975**	**3,542,751**	**1,069,270**	**4,916,529**	**16.9%**
Southern China								
Fujian Province	12	297,833	—	16,760	1,823,299	768,860	2,906,752	10.0%
Fuzhou	4	297,833	—	16,760	305,721	81,217	701,531	2.4%
Fuqing	7	—	—	—	986,238	240,353	1,226,591	4.2%
Quanzhou	1	—	—	—	531,340	447,290	978,630	3.4%
Guangdong Province	9	192,831	4,165	—	369,966	719,533	1,286,495	4.4%
Foshan	5	109,061	4,165	—	167,094	393,937	674,257	2.3%
Huizhou	4	83,770	—	—	202,872	325,596	612,238	2.1%
Sub-total	**21**	**490,664**	**4,165**	**16,760**	**2,193,265**	**1,488,393**	**4,193,247**	**14.4%**
Southwestern China								
Chongqing Municipality	12	269,176	4,291	193,700	1,264,856	581,767	2,313,790	8.0%
Hubei Province	5	102,998	—	—	890,721	1,779,487	2,773,206	9.5%
Wuhan	4	102,998	—	—	660,514	1,779,487	2,542,999	8.7%
Jingzhou	1	—	—	—	230,207	—	230,207	0.9%
Hunan Province	4	10,268	—	—	919,882	178,346	1,108,496	3.8%
Changsha	4	10,268	—	—	919,882	178,346	1,108,496	3.8%
Sichuan Province	1	—	—	—	121,758	—	121,758	0.4%
Chengdu	1	—	—	—	121,758	—	121,758	0.4%
Anhui Province	5	22,947	—	—	622,855	—	645,802	2.2%
Hefei	5	22,947	—	—	622,855	—	645,802	2.2%
Sub-total	**27**	**405,389**	**4,291**	**193,700**	**3,820,072**	**2,539,600**	**6,963,052**	**23.9%**
Northwestern China								
Shaanxi Province	13	184,325	—	236,498	2,953,950	3,028,263	6,403,036	22.0%
Xi'an	13	184,325	—	236,498	2,953,950	3,028,263	6,403,036	22.0%
Henan Province	2	—	—	—	459,277	—	459,277	1.6%
Zhengzhou	2	—	—	—	459,277	—	459,277	1.6%
Sub-total	**15**	**184,325**	**—**	**236,498**	**3,413,227**	**3,028,263**	**6,862,313**	**23.6%**
Total	**117**	**1,288,329**	**99,131**	**617,019**	**15,207,008**	**9,008,664**	**26,220,152**	**90.2%**

	Number of Projects	Completed: GFA Available for Sale(1)	Completed: Rentable GFA(2)	Completed: Rentable GFA for Property Investment(3)	Under Development: Planned GFA Under Development(4)	Future Development: Estimated GFA for Future Development(5)	Total Land Bank Attributable to Us(6)(7)	% of Total Land Bank
		(in sq.m.)	(in sq.m.)	(in sq.m.)	(in sq.m.)	(in sq.m.)	(in sq.m.)	
Property Projects Developed by Our Joint Ventures								
Yangtze River Delta								
Jiangsu Province (South)	6	63,846	14,569	—	2,162	—	80,577	0.4%
Nanjing	1	2,097	—	—	—	—	2,097	0.0%
Suzhou	4	54,480	12,709	—	—	—	67,189	0.4%
Yangzhou	1	7,269	1,860	—	2,162	—	11,291	0.0%
Sub-total	**6**	**63,846**	**14,569**	**—**	**2,162**	**—**	**80,577**	**0.4%**
Bohai Economic Rim								
Tianjin Municipality	2	—	—	—	96,543	—	96,543	0.4%
Jiangsu Province (North)	1	—	—	—	70,155	—	70,155	0.2%
Lianyungang	1	—	—	—	70,155	—	70,155	0.2%
Sub-total	**3**	**—**	**—**	**—**	**166,698**	**—**	**166,698**	**0.6%**
Southern China								
Fujian Province	4	29,784	—	—	285,944	—	315,728	1.1%
Fuzhou	3	27,291	—	—	204,792	—	232,083	0.8%
Fuqing	1	2,493	—	—	81,152	—	83,645	0.1%
Guangdong Province	1	3,656	—	—	71,733	—	75,389	0.3%
Foshan	1	3,656	—	—	71,733	—	75,389	0.3%
Sub-total	**5**	**33,440**	**—**	**—**	**357,677**	**—**	**391,117**	**1.3%**
Southwestern China								
Chongqing Municipality	4	149,658	—	—	233,005	2,888	385,551	1.3%
Anhui Province	1	1,658	—	—	50,845	—	52,503	0.2%
Hefei	1	1,658	—	—	50,845	—	52,503	0.2%
Sub-total	**5**	**151,316**	**—**	**—**	**283,850**	**2,888**	**438,054**	**1.6%**
Attributable-total	**19**	**248,602**	**14,569**	**—**	**810,387**	**2,888**	**1,076,446**	**4.0%**
Property Projects Developed by Our Associates								
Yangtze River Delta								
Zhejiang Province	3	73,097	14,679	—	229,250	48,926	365,952	1.3%
Hangzhou	2	73,097	14,679	—	146,581	—	234,357	0.8%
Ningbo	1	—	—	—	82,669	48,926	131,595	0.5%
Jiangsu Province (South)	4	29,282	3,828	—	241,521	—	274,631	1.0%
Nanjing	1	—	—	—	156,869	—	156,869	0.5%
Suzhou	3	29,282	3,828	—	84,652	—	117,762	0.5%
Sub-total	**7**	**102,379**	**18,507**	**—**	**470,771**	**48,926**	**640,583**	**2.3%**

	Number of Projects	Completed: GFA Available for Sale[1]	Completed: Rentable GFA[2]	Completed: Rentable GFA for Property Investment[3]	Under Development: Planned GFA Under Development[4]	Future Development: Estimated GFA for Future Development[5]	Total Land Bank Attributable to Us[6][7]	% of Total Land Bank
		(in sq.m.)	(in sq.m.)	(in sq.m.)	(in sq.m.)	(in sq.m.)	(in sq.m.)	
Bohai Economic Rim								
Hebei Province	2	10,235	—	—	54,299	—	64,534	0.2%
Shijiazhuang	2	10,235	—	—	54,299	—	64,534	0.2%
Liaoning Province	1	10,227	—	—	36,424	—	46,651	0.2%
Shenyang	1	10,227	—	—	36,424	—	46,651	0.2%
Jiangsu Province (North)	1	—	—	—	105,657	—	105,657	0.4%
Lianyungang	1	—	—	—	105,657	—	105,657	0.4%
Sub-total	**4**	**20,462**	**—**	**—**	**196,380**	**—**	**216,842**	**0.7%**
Southern China								
Fujian Province	5	—	—	—	405,888	—	405,888	1.3%
Fuzhou	1	—	—	—	100,524	—	100,524	0.3%
Fuqing	4	—	—	—	305,364	—	305,364	1.0%
Guangdong Province	2	2,659	—	—	33,738	—	36,397	0.1%
Foshan	1	2,659	—	—	—	—	2,659	0.0%
Huizhou	1	—	—	—	33,738	—	33,738	0.1%
Sub-total	**7**	**2,659**	**—**	**—**	**439,626**	**—**	**442,285**	**1.5%**
Southwestern China								
Hunan Province	1	—	—	—	—	97,113	97,113	0.3%
Changsha	1	—	—	—	—	97,113	97,113	0.3%
Sichuan Province	2	66,586	11,296	—	41,961	—	119,843	0.4%
Chengdu	2	66,586	11,296	—	41,961	—	119,843	0.4%
Sub-total	**3**	66,586	**11,296**	**—**	**41,961**	**97,113**	**216,956**	**0.7%**
Northwestern China								
Shaanxi Province	3	35,599	1,417	—	87,927	143,550	268,493	0.9%
Xi'an	3	35,599	1,417	—	87,927	143,550	268,493	0.9%
Sub-total	**3**	**35,599**	**1,417**	**—**	**87,927**	**143,550**	**268,493**	**0.9%**
Attributable-total	**24**	**227,685**	**31,220**	**—**	**1,236,665**	**289,589**	**1,785,159**	**6.2%**
Total Land Bank	**160**	**1,764,616**	**144,920**	**617,019**	**17,254,060**	**9,301,141**	**29,081,757**	**100.0%**
By city tier:								
First-tier cities	4	18,514	22,468	133,597	174,907	—	349,486	1.2%
Second-tier cities	126	1,632,384	57,564	483,422	13,335,064	8,158,332	23,666,766	81.4%
Core third-tier cities	18	111,225	64,888	—	2,371,335	902,456	3,449,905	11.9%
Others	12	2,493	—	—	1,372,754	240,353	1,615,600	5.6%
Total Land Bank	**160**	**1,764,616**	**144,920**	**617,019**	**17,254,060**	**9,301,141**	**29,081,757**	**100.0%**

Notes:

(1) Refers to (i) GFA pre-sold but yet to be delivered; and (ii) GFA unsold and available for sale.

(2) Refers to GFA available to generate rental income, excluding GFA of the property held for investment.

(3) Refers to GFA of the property available to generate income and held for investment.

(4) Refers to total planned GFA under development as set out in the construction work planning permits or construction work commencement permits.

(5) Refers to (i) GFA for which we have signed a land grant contract but have not obtained the relevant land use right certificates; and (ii) GFA for which we have obtained the land use right certificates but have not obtained the requisite construction work commencement permits.

(6) Total land bank equals to the sum of (i) total GFA available for sale, total rentable GFA and total rentable GFA for property investment for completed properties; (ii) total planned GFA for properties under development; and (iii) total estimated GFA for properties held for future development.

(7) For projects held by our joint ventures or our associates, total GFA will be adjusted by our equity interest in the respective project.

Our Property Projects

The table below sets forth the details of our property development projects as of July 31, 2020:

Projects	Site Area[1]	Completed: Unsaleable GFA/GFA Sold[2]	Completed: GFA Available for Sale[3]	Completed: Rentable GFA[4]	Completed: Rentable GFA held for property investment[5]	Completed: Total GFA Completed[6]	Completed: Percentage of Total Saleable GFA Sold	Under Development: Saleable GFA[7]	Under Development: Pre-sold GFA	Under Development: Total Planned GFA Under Development[8]	Under Development: Percentage of Total Saleable GFA Pre-sold	Future Development: GFA with Land Use Right Not Yet Obtained[9]	Future Development: Total Estimated GFA for Future Development[10]	Actual/Estimated Construction Commencement Date[11]	Actual/Estimated Pre-sale Commencement Date[12]	Actual/Estimated Construction Completion Date[13]	Development Cost Incurred as of July 31, 2020[14]	Estimated Future Development Cost[15]	Group's Interest in the Project as of Valuation Date[16]	Market Value Attributable to the Group[17]	Reference to Property Valuation Report[18]
	(in sq.m.)	(in sq.m.)	(in sq.m.)	(in sq.m.)	(in sq.m.)	(in sq.m.)		(in sq.m.)	(in sq.m.)	(in sq.m.)		(in sq.m.)	(in sq.m.)				(RMB in millions)	(RMB in millions)	(%)	(RMB in million)	
Property Projects Developed by Our Subsidiaries																					
Yangtze River Delta																					
Zhejiang Province																					
Hangzhou																					
1 Hangzhou Jiushang Elite's Mansion (杭州久尚雲築)	64,505	—	—	—	—	—	—	182,635	156,213	206,377	86%	—	—	August 2018	November 2018	October 2020	3,132.9	207.3	96.0%	3,301.1	1
2 Hangzhou Ziya Elite's Mansion (杭州紫雅雲邸)	11,349	—	—	—	—	—	—	34,446	25,501	48,995	74%	—	—	May 2018	April 2020	November 2020	819.5	93.7	96.0%	839.6	2
Ningbo																					
3 Ningbo Shanghe Cloud Atrium (寧波上河雲庭)(19)	26,477	—	—	—	—	—	—	65,072	—	71,472	—	—	—	July 2020	October 2020	April 2022	491.8	289.8	96.0%	520.0	3
4 Ningbo Jiangyue Waterflow (寧波江樾潮啟)	122,292	—	—	—	—	—	—	—	—	—	—	204,400	204,400	September 2020	October 2020	May 2022	493.6	1,338.9	57.6%	—	4
Shaoxing																					
5 Shaoxing New Block Guanlan Garden (紹興悠步觀瀾苑)	70,150	—	—	—	—	—	—	178,207	138,920	206,910	78%	—	—	October 2019	December 2019	June 2022	1,274.7	595.1	96.0%	1,486.1	5
6 Shaoxing Mirror Lake (紹興鏡湖)	48,883	—	—	—	—	—	—	138,918	15,449	154,388	11%	—	—	March 2020	June 2020	June 2022	1,163.9	587.7	96.0%	1,275.6	6
7 Shaoxing Peninsula Elite's Mansion (紹興半島雲著府)	57,812	—	—	—	—	—	—	100,511	—	123,164	—	—	—	July 2020	October 2020	May 2022	1,010.1	552.6	96.0%	1,071.7	7
8 Shaoxing Jingyue Elite's Mansion (紹興璟樾雲著府)	63,210	—	—	—	—	—	—	—	—	—	—	178,234	178,234	October 2020	January 2021	May 2023	717.1	1,373.3	96.0%	—	8
Jiangsu Province (South)																					
Nanjing																					
9 Jurong Jinhui Four Seasons Guanlan (句容四季金輝觀嵐)	37,422	—	—	—	—	—	—	133,569	2,427	149,638	2%	—	—	January 2020	April 2020	February 2024	840.2	548.6	96.0%	949.7	9

Projects	Site Area[1]	Unsaleable GFA/GFA Sold[2]	GFA Available for Sale[3]	Rentable GFA[4]	Rentable GFA held for property investment[5]	Total GFA Completed[6]	Percentage of Total Saleable GFA Sold	Saleable GFA[7]	Pre-sold GFA	Total Planned GFA Under Development[8]	Percentage of Total Saleable GFA Pre-sold	GFA with Land Use Right Not Yet Obtained[9]	Total Estimated GFA for Future Development[10]	Actual/ Estimated Construction Commencement Date[11]	Actual/ Estimated Pre-sale Commencement Date[12]	Actual/ Estimated Construction Completion Date[13]	Development Cost Incurred as of July 31, 2020[14]	Estimated Future Development Cost[15]	Group's Interest in the Project as of Valuation Date[16]	Market Value Attributable to the Group[17]	Reference to Property Valuation Report[18]
		Completed						Under Development				Future Development									
	(in sq.m.)	(in sq.m.)	(in sq.m.)	(in sq.m.)	(in sq.m.)	(in sq.m.)		(in sq.m.)	(in sq.m.)	(in sq.m.)		(in sq.m.)	(in sq.m.)				(RMB in millions)	(RMB in millions)	(%)	(RMB in million)	
Suzhou																					
10 Suzhou Sea Breeze Garden (蘇州海上風華花園)	18,866	4,661	41,675	3,319	—	46,336	—	—	—	—	—	—	—	March 2018	November 2019	March 2020	365.2	—	96.0%	373.1	10
11 Suzhou New Block Four Seasons Garden (蘇州悠步四季花園)	54,036	—	—	—	—	—		101,068	32,538	111,942		—	—				916.6	367.5	96.0%	1,037.2	11
Phase I		—	—	—	—	—	—	49,746	29,988	53,188	60%	—	—	December 2019	May 2020	December 2021	435.5	174.6			
Phase II		—	—	—	—	—	—	51,322	2,550	58,754	5%	—	—	January 2020	June 2020	January 2022	481.1	192.9			
12 Suzhou Qianwan Commercial Center (蘇州淺灣商業中心)	39,428	51,909	14,355	—	36,464	66,265	48%	—	—	—	—	—	—	September 2017	December 2017	June 2019	488.8	—	96.0%	360.6	12
13 Suzhou Runyuan Mansion Yayuan (蘇州潤元名著雅苑)	43,611	—	—	—	—	—	—	91,470	69,019	103,605	75%	—	—	April 2019	July 2019	June 2021	1,472.0	234.3	67.2%	1,227.1	13
14 Suzhou New Block Jiang Lai (蘇州悠步江來)	85,305	—	—	—	—	—	—	173,285	—	214,216	—	—	—	March 2020	October 2020	October 2023	561.3	893.9	96.0%	658.8	14
15 Suzhou Taicang Block No.17 (蘇州太倉17號地塊)	35,504	—	—	—	—	—	—	—	—	—	—	—	74,115	September 2020	April 2023	September 2022	32.3	408.0	96.0%	34.7	15
16 Zhangjiagang Riverside Yunjing Garden (張家港濱河雲璟花園)	41,941	—	—	—	—	—	—	—	—	—	—	—	98,488	August 2020	December 2020	July 2022	547.8	402.6	96.0%	571.5	16
17 Wuxi Xidong King's Garden (無錫熙東銘築)	128,379	—	—	—	—	—	—	—	—	—	—	327,901	327,901	September 2020	December 2020	May 2023	484.8	4,064.1	96.0%	—	17
Yangzhou																					
18 Yangzhou New Block Avenue (揚州優步大道)	128,052	—	—	—	—	—	—	292,803	90,946	326,811	31%	—	—	August 2019	September 2019	January 2023	1,299.4	835.2	96.0%	1,463.3	18
19 Yangzhou Eden Garden (揚州怡翠花園)	52,581	—	—	—	—	—	—	117,454	106,968	130,371	91%	—	—	August 2018	October 2018	March 2021	822.5	166.3	32.0%	327.9	19
Zhenjiang																					
20 Zhenjiang New Block Xinyuan (鎮江優步鑫苑)	76,715	—	—	—	—	—	—	197,749	8,658	226,857	4%	—	—	May 2019	July 2019	May 2024	1,136.3	476.8	96.0%	1,178.0	20
21 Zhenjiang Yundu Shangyuan (鎮江芸都尚院)	50,041	—	—	—	—	—	—	141,532	22,910	162,947	16%	—	—	September 2019	September 2019	November 2022	718.2	438.5	96.0%	773.3	21
Shanghai Municipality																					
22 Shanghai Jinhui Tiancui Garden (上海金輝天萃苑)	32,142	83,587	14,673	7,210	—	98,260	81%	—	—	—	—	—	—	October 2016	July 2018	August 2019	3,980.5	—	96.0%	582.0	22
23 Shanghai Jingang Commercial Plaza (上海金港商業廣場)	31,438	89,355	3,841	12,021	30,622	93,196	92%	—	—	—	—	—	—	October 2010	November 2012	April 2017	779.8	—	96.0%	397.5	23

Projects	Site Area[1]	Completed: Unsaleable GFA/GFA Sold[2]	Completed: GFA Available for Sale[3]	Completed: Rentable GFA[4]	Completed: Rentable GFA held for property investment[5]	Completed: Total GFA Completed[6]	Completed: Percentage of Total Saleable GFA Sold	Under Development: Saleable GFA[7]	Under Development: Pre-sold GFA	Under Development: Total Planned GFA Under Development[8]	Under Development: Percentage of Total Saleable GFA Pre-sold	Future Development: GFA with Land Use Right Not Yet Obtained[9]	Future Development: Total Estimated GFA for Future Development[10]	Actual/ Estimated Construction Commencement Date[11]	Actual/ Estimated Pre-sale Commencement Date[12]	Actual/ Estimated Construction Completion Date[13]	Development Cost Incurred as of July 31, 2020[14]	Estimated Future Development Cost[15]	Group's Interest in the Project as of Valuation Date[16]	Market Value Attributable to the Group[17]	Reference to Property Valuation Report[18]
	(in sq.m.)	(in sq.m.)	(in sq.m.)	(in sq.m.)	(in sq.m.)	(in sq.m.)		(in sq.m.)	(in sq.m.)	(in sq.m.)		(in sq.m.)	(in sq.m.)				(RMB in millions)	(RMB in millions)	(%)	(RMB in million)	
Bohai Economic Rim																					
Beijing Municipality																					
24 Beijing Chaoyang Port No.1 Block (北京朝陽口岸1號地)	73,891	—	—	—	—	—	—	164,582	—	174,907	—	—	—	July 2018	—	December 2020	2,289.3	269.3	96.0%	2,723.1	24
25 Beijing Radiance Plaza (北京金輝大廈)	11,423	119,271	—	3,237	102,975	119,271	—	—	—	—	—	—	—	November 2014	—	December 2016	1,639.9	—	96.0%	4,888.9	25
Tianjin Municipality																					
26 Tianjin Xueshi Garden (天津學仕花園)	80,124	—	—	—	—	—	—	186,325	68,097	198,622	37%	—	—	April 2019	June 2019	August 2022	1,064.1	561.9	96.0%	1,208.0	26
27 Tianjin Yunqi Garden (天津雲棲花園)	40,442	—	—	—	—	—	—	90,401	—	98,572	—	—	—	June 2020	March 2021	November 2022	425.6	421.1	96.0%	447.3	27
28 Tianjin Yunhui Garden (天津雲輝花園)	36,586	—	—	—	—	—	—	83,091	—	91,460	—	—	—	October 2019	March 2021	October 2022	442.0	339.3	96.0%	456.8	28
29 Tianjin Yunque Garden (天津雲闕花園)	42,078	—	—	—	—	—	—	87,300	20,521	95,408	24%	—	—	July 2019	November 2019	April 2022	555.5	245.5	96.0%	576.1	29
30 Tianjin Hu'an Garden (天津湖岸花園)	98,930	96,265	9,097	—	—	105,362	89%	156,050	144,843	187,837	93%	—	—	July 2017	October 2017	May 2021	1,373.6	251.9	96.0%	1,058.3	30
31 Tianjin Yuncui Garden (天津雲萃花園)	25,236	—	—	—	—	—	—	60,661	41,815	66,671	69%	—	—	January 2019	May 2019	November 2021	877.9	89.8	96.0%	907.9	31
Hebei Province																					
Shijiazhuang																					
32 Shijiazhuang New Block Star (石家莊優步星辰)	39,389	—	—	—	—	—	—	83,398	5,313	103,534	6%	—	—	May 2020	June 2020	October 2022	387.8	370.1	96.0%	466.0	32
33 Shijiazhuang Jinhui Elite's Mansion (石家莊金輝雲著)	65,052	—	—	—	—	—	—	83,713	24,540	109,478	29%	—	—	September 2018	December 2018	December 2020	896.0	529.1	52.8%	571.1	33
34 Shijiazhuang New Block (Pinyuan) (石家莊金輝優步小區（品園）)	48,378	100,158	13,085	—	—	113,243	88%	—	—	—	—	—	—	September 2017	July 2018	May 2020	1,038.8	31.1	32.6%	4.1	34
35 Shijiazhuang New Block Shangfu West (石家莊優步尚府西區)	52,543	—	—	—	—	—	—	121,892	19,249	135,081	16%	—	—	November 2019	May 2020	October 2022	563.9	472.0	96.0%	738.1	35
36 Shijiazhuang New Block Shangfu East (石家莊優步尚府東區)	35,286	—	—	—	—	—	—	—	—	—	—	—	88,456	August 2020	March 2021	April 2023	376.4	362.3	96.0%	426.9	36
37 Shijiazhuang Kaiyuan House (石家莊開元府)	54,619	—	—	—	—	—	—	82,828	45,802	101,302	55%	—	—	November 2018	March 2019	September 2021	773.3	313.4	96.0%	875.1	37
38 Shijiazhuang New Block Yayuan (石家莊優步雅園)	45,729	—	—	—	—	—	—	58,946	12,903	78,512	22%	—	78,358	March 2020	May 2020	November 2022	286.0	693.2	76.8%	296.2	38
Langfang																					
39 Langfang New Block Riverside Garden (廊坊優步水岸花園)	167,549	—	—	—	—	—	—	261,281	—	281,813	—	—	173,905	December 2019	August 2020	April 2024	2,053.5	1,856.2	96.0%	2,370.3	39

Projects	Site Area[1]	Completed: Unsaleable GFA/GFA Sold[2]	Completed: GFA Available for Sale[3]	Completed: Rentable GFA[4]	Completed: Rentable GFA held for property investment[5]	Completed: Total GFA Completed[6]	Completed: Percentage of Total Saleable GFA Sold	Under Development: Saleable GFA[7]	Under Development: Pre-sold GFA	Under Development: Total Planned GFA Under Development[8]	Under Development: Percentage of Total Saleable GFA Pre-sold	Future Development: GFA with Land Use Right Not Yet Obtained[9]	Future Development: Total Estimated GFA for Future Development[10]	Actual/ Estimated Construction Commencement Date[11]	Actual/ Estimated Pre-sale Commencement Date[12]	Actual/ Estimated Construction Completion Date[13]	Development Cost Incurred as of July 31, 2020[14]	Estimated Future Development Cost[15]	Group's Interest in the Project as of Valuation Date[16]	Market Value Attributable to the Group[17]	Reference to Property Valuation Report[18]
	(in sq.m.)	(in sq.m.)	(in sq.m.)	(in sq.m.)	(in sq.m.)	(in sq.m.)		(in sq.m.)	(in sq.m.)	(in sq.m.)		(in sq.m.)	(in sq.m.)				(RMB in millions)	(RMB in millions)	(%)	(RMB in million)	
Liaoning Province																					
Shenyang																					
40 Shenyang Jiangshan Elite's Mansion (瀋陽江山雲著)	127,325	—	—	—	—	—	—	228,541	152,508	248,741	67%	—	—	May 2018	June 2018	October 2020	1,638.0	22.7	96.0%	2,347.1	40
Jiangsu Province (North)																					
Yancheng																					
41 Yancheng Jinhui City Block D (鹽城金輝城D地塊)	76,441	112,798	254	—	—	113,052	100%	37,896	17,783	41,801	47%	—	101,390	November 2017	December 2017	February 2023	804.7	504.0	96.0%	318.5	41
42 Yancheng Jinhui New Block Garden (鹽城金輝優步花苑)	31,180	—	—	—	—	—	—	80,002	31,774	91,843	40%	—	—	August 2019	September 2019	March 2022	295.5	193.0	96.0%	296.4	42
Huai'an																					
43 Huai'an Jinhui City Square (淮安金輝城市廣場)	93,398	—	—	—	—	—	—	49,384	—	50,145	—	—	311,227	June 2020	September 2020	November 2024	314.0	1,260.5	57.6%	200.5	43
44 Huai'an Jinhui City Phase II (淮安金輝城二期)	86,833	46,920	—	—	—	46,920	100%	151,408	148,276	172,284	98%	—	—	August 2018	October 2018	November 2020	711.8	249.6	96.0%	633.8	44
45 Huai'an Jinhui City Phase III (淮安金輝城三期)	108,819	—	—	—	—	—	—	322,173	302,601	352,858	94%	—	—	June 2019	August 2019	November 2022	749.1	743.5	97.4%	899.8	45
46 Huai'an Jinhui Swan Bay (淮安金輝天鵝灣)	129,866	334,248	15,025	6,642	—	349,273		42,536	31,019	59,515		—	—				1,515.5	94.3	96.0%	146.2	46
Phase I		176,873	15,025	6,642	—	191,898	92%	—	—	—	—	—	—	July 2013	August 2013	December 2016	746.0	3.9			
Phase II		157,375	—	—	—	157,375	100%	42,536	31,019	59,515	73%	—	—	August 2017	October 2017	November 2020	769.5	90.4			
47 Huai'an Jinhui Four Seasons Community (淮安四季金輝家園)	143,652	252,463	22,026	25,002	—	274,489		218,330	189,250	245,310		—	26,531				1,809.3	219.4	96.0%	1,065.5	47
Phase I		223,949	20,677	25,002	—	244,626	90%	—	—	—	—	—	26,531	October 2011	April 2012	October 2021	938.4	83.9			
Phase II		28,514	1,349	—	—	29,863	95%	218,330	189,250	245,310	87%	—	—	January 2018	January 2018	April 2021	870.9	135.5			
48 Huai'an New Block Garden (淮安優步花園)	28,600	—	—	—	—	—	—	44,051	—	45,291	—	—	66,977	July 2020	October 2020	August 2023	184.8	390.7	96.0%	203.2	48
49 Huai'an New Block Dongjun (淮安優步東郡)	56,712	—	—	—	—	—	—	—	—	—	—	149,619	149,619	November 2020	February 2021	May 2024	80.7	717.6	96.0%	—	49
Lianyungang																					
50 Lianyungang Jinhui Four Seasons Guanlan (連雲港四季金輝觀瀾)	49,756	—	—	—	—	—	—	125,762	81,226	140,306	65%	—	—	April 2019	June 2019	August 2021	690.0	278.5	96.0%	764.6	50
51 Lianyungang Jinhui Four Seasons (連雲港四季金輝)	223,045	697,962	73,921	33,244	—	771,884	89%	—	—	—	—	—	—	November 2011	December 2011	April 2019	3,193.1	25.8	96.0%	133.4	51

Projects	Site Area[1]	Completed: Unsaleable GFA/GFA Sold[2]	Completed: GFA Available for Sale[3]	Completed: Rentable GFA[4]	Completed: Rentable GFA held for property investment[5]	Completed: Total GFA Completed[6]	Completed: Percentage of Total Saleable GFA Sold	Under Development: Saleable GFA[7]	Under Development: Pre-sold GFA	Under Development: Total Planned GFA Under Development[8]	Under Development: Percentage of Total Saleable GFA Pre-sold	Future Development: GFA with Land Use Right Not Yet Obtained[9]	Future Development: Total Estimated GFA for Future Development[10]	Actual/ Estimated Construction Commencement Date[11]	Actual/ Estimated Pre-sale Commencement Date[12]	Actual/ Estimated Construction Completion Date[13]	Development Cost Incurred as of July 31, 2020[14]	Estimated Future Development Cost[15]	Group's Interest in the Project as of Valuation Date[16]	Market Value Attributable to the Group[17]	Reference to Property Valuation Report[18]
	(in sq.m.)	(in sq.m.)	(in sq.m.)	(in sq.m.)	(in sq.m.)	(in sq.m.)		(in sq.m.)	(in sq.m.)	(in sq.m.)		(in sq.m.)	(in sq.m.)				(RMB in millions)	(RMB in millions)	(%)	(RMB in million)	
52 Lianyungang Yunting Riverside (連雲港雲庭水岸)	97,508	—	—	—	—	—	—	60,217	—	94,346	—	—	72,807	July 2020	October 2020	April 2023	291.8	694.3	96.0%	314.5	52
Xuzhou																					
53 Xuzhou Xinbu Lanting (徐州信步蘭庭項目)	55,982	—	—	—	—	—	—	148,419	28,629	174,621	19%	—	—	April 2020	June 2020	March 2023	788.8	657.5	96.0%	924.8	53
54 Xuzhou New Block Riverside (徐州優步水岸)	50,212	—	—	—	—	—	—	91,853	52,663	102,493	57%	—	—	November 2018	December 2018	September 2021	462.9	90.4	96.0%	497.4	54
Southern China																					
Fujian Province																					
Fuzhou																					
55 Fuzhou Jinhui New Block Garden (福州金輝優步花園)	19,891	—	—	—	—	—	—	64,691	34,177	71,505	53%	—	—	August 2019	November 2019	May 2021	521.5	78.1	96.0%	633.0	55
56 Fuzhou Jinhui Lanlinxuan (福州金輝瀾林軒)	63,518	—	—	—	—	—	—	231,659	—	234,216	—	—	—	January 2020	August 2020	November 2021	2,011.1	619.3	96.0%	2,371.7	56
57 Fuzhou Huai'an (福州淮安)	1,042,136	970,825	297,833	—	—	1,268,658		—	—	—	—	—	81,217				12,895.4	1,693.8	57.6%	3,436.2	57
Phase I		175,669	7,010	—	—	182,679	94%	—	—	—	—	—	—	April 2009	August 2011	December 2014	2,300.8	—			
Phase II		625,667	257,110	—	—	882,777	68%	—	—	—	—	—	—	September 2012	April 2013	January 2020	7,028.9	414.4			
Phase III		13,545	17,706	—	—	31,252	39%	—	—	—	—	—	81,217	November 2014	September 2015	December 2021	2,557.3	1,279.4			
Phase V		155,944	16,007	—	—	171,950	90%	—	—	—	—	—	—	May 2013	November 2013	May 2016	1,008.4	—			
58 Fuzhou Jinhui Mansion (福州金輝大廈)	1,141	16,760	—	—	16,760	16,760	—	—	—	—	—	—	—	March 1998	—	December 1999	51.2	—	96.0%	235.5	58
Fuqing																					
59 Fuqing New Block Avenue (福清優步大道)	43,071	—	—	—	—	—	—	173,672	119,489	187,159	69%	—	—	July 2019	December 2019	January 2022	587.9	374.4	96.0%	663.8	59
60 Fuqing Jiangshan Elite's Mansion (福清江山雲著)	49,504	—	—	—	—	—	—	188,719	177,513	202,623	94%	—	—	November 2018	January 2019	May 2021	1,127,6	128.4	37.4%	616.5	60
61 Fuqing Guanlan Elite's Mansion (福清觀瀾雲著)	49,440	—	—	—	—	—	—	175,605	162,151	192,906	92%	—	—	December 2018	April 2019	November 2021	895.0	100.6	96.0%	1,173.2	61
62 Fuqing New Block Academy (福清優步書苑)	53,168	—	—	—	—	—	—	160,630	141,115	175,280	88%	—	—	March 2018	June 2018	December 2020	957.3	75.4	34.6%	439.5	62
63 Fuqing New Block Garden (福清優步花園)	45,138	—	—	—	—	—	—	161,324	97,959	173,965	61%	—	—	April 2020	June 2020	April 2022	330.5	483.1	49.0%	197.4	63
64 Fuqing East Elite's Mansion (福清東方雲著)	16,330	—	—	—	—	—	—	46,962	—	54,305	—	—	—	June 2020	September 2020	September 2022	151.4	177.4	49.0%	85.8	64
65 Fuqing Zhongyang King's Garden (福清中央銘著)	65,225	—	—	—	—	—	—	—	—	—	—	240,353	240,353	November 2020	March 2021	December 2022	498.0	1,294.6	67.2%	—	65

Projects	Site Area[1]	Unsaleable GFA/GFA Sold[2]	GFA Available for Sale[3]	Rentable GFA[4]	Rentable GFA held for property investment[5]	Total GFA Completed[6]	Percentage of Total Saleable GFA Sold	Saleable GFA[7]	Pre-sold GFA	Total Planned GFA Under Development[8]	Percentage of Total Saleable GFA Pre-sold	GFA with Land Use Right Not Yet Obtained[9]	Total Estimated GFA for Future Development[10]	Actual/ Estimated Construction Commencement Date[11]	Actual/ Estimated Pre-sale Commencement Date[12]	Actual/ Estimated Construction Completion Date[13]	Development Cost Incurred as of July 31, 2020[14]	Estimated Future Development Cost[15]	Group's Interest in the Project as of Valuation Date[16]	Market Value Attributable to the Group[17]	Reference to Property Valuation Report[18]
	Completed							Under Development				Future Development									
	(in sq.m.)	(in sq.m.)	(in sq.m.)	(in sq.m.)	(in sq.m.)	(in sq.m.)		(in sq.m.)	(in sq.m.)	(in sq.m.)		(in sq.m.)	(in sq.m.)				(RMB in millions)	(RMB in millions)	(%)	(RMB in million)	
Quanzhou																					
66 Quanzhou Shishi Jinhui City (泉州石獅金輝城)	222,509	—	—	—	—	—		370,633	53,710	531,340		—	447,290				1,059.8	4,610.9	81.6%	2,355.3	66
Phase I	—	—	—	—	—	—	—	163,450	53,710	176,617	33%	—	—	November 2019	December 2019	February 2022	514.9	378.4			
Phase II	—	—	—	—	—	—	—	207,183	—	354,723	—	—	447,290	June 2020	August 2020	September 2025	544.9	4,232.5			
Guangdong Province																					
Foshan																					
67 Foshan New Block Avenue (佛山優步大道)	43,523	27,867	44,605	—	—	72,471	36%	55,737	22,636	68,151	41%	—	—	September 2017	January 2018	April 2021	1,901.7	146.1	96.0%	1,493.9	67
68 Foshan Lingnan Elite's Mansion (佛山嶺南雲著)	17,165	—	—	—	—	—	—	79,655	2,879	98,943	4%	—	—	April 2018	April 2020	June 2021	1,005.2	231.8	96.0%	1,126.2	68
69 Foshan New Block Academy (佛山優步學府)	23,275	11,061	64,456	4,165	—	75,517	—	—	—	—	—	—	—	April 2018	December 2018	June 2020	409.7	35.0	48.0%	206.0	69
70 Foshan Yunjing Garden (佛山雲璟花園)	44,207	—	—	—	—	—	—	—	—	—	—	—	162,760	November 2020	March 2021	June 2024	1,109.1	693.6	96.0%	1,157.6	70
71 Foshan Yunzhu Garden (佛山雲築花園)	66,439	—	—	—	—	—	—	—	—	—	—	231,177	231,177	April 2021	August 2021	November 2023	142.3	2,225.3	96.0%	—	71
Huizhou																					
72 Huizhou Dongdi Huayuan (惠州東堤華園)	19,231	6,245	83,770	—	—	90,015	—	—	—	—	—	—	—	April 2018	August 2018	July 2020	724.0	30.0	96.0%	812.6	72
73 Huizhou New Block Garden (惠州金輝風雅軒)	49,915	—	—	—	—	—	—	144,181	41,893	161,060	29%	—	—	May 2019	November 2019	November 2022	738.3	288.3	96.0%	922.9	73
74 Huizhou New Block Mansion (惠州悅步公館)	12,415	—	—	—	—	—	—	37,480	—	41,812	—	—	—	March 2020	October 2020	July 2022	195.5	97.0	96.0%	211.9	74
75 Huizhou Gaoling Phase II (惠州高岭二期)	67,841	—	—	—	—	—	—	—	—	—	—	—	325,596	November 2020	May 2021	November 2023	492.7	979.7	57.6%	667.2	75
Southwestern China																					
Chongqing Municipality																					
76 Chongqing Tianchen Elite's Mansion (重慶天宸雲著)	52,683	—	—	—	—	—	—	106.909	13,739	108,999	13%	—	—	January 2020	March 2020	November 2021	637.2	278.9	49.0%	352.6	76
77 Chongqing Jiangshan Elite's Mansion (重慶江山雲著)	69,489	—	—	—	—	—	—	167,430	197	176,744	—	—	128,785	May 2020	June 2020	December 2021	1,516.5	1,328.1	57.6%	1,043.6	77
78 Chongqing Zhongyang King's Garden (重慶中央銘著)	157,925	189,897	110,132	—	—	300,029	62%	316,916	133,589	327,540	42%	—	14,317	November 2017	November 2017	October 2022	4,633.0	742.5	96.0%	3,721.9	78
79 Chongqing Yujiang House (重慶禦江府)	77,342	270,540	119,955	—	—	390,494	69%	78,814	78,814	78,844	100%	—	—	November 2016	December 2016	September 2020	2,406.0	320.2	96.0%	1,966.9	79
80 Chongqing Boshe (重慶泊舍)	52,086	61,405	34,583	—	—	95,988	63%	—	—	—	—	—	—	November 2017	March 2018	July 2020	808.5	—	96.0%	256.5	80

Projects	Site Area[1]	Completed: Unsaleable GFA/GFA Sold[2]	Completed: GFA Available for Sale[3]	Completed: Rentable GFA[4]	Completed: Rentable GFA held for property investment[5]	Completed: Total GFA Completed[6]	Completed: Percentage of Total Saleable GFA Sold	Under Development: Saleable GFA[7]	Under Development: Pre-sold GFA	Under Development: Total Planned GFA Under Development[8]	Under Development: Percentage of Total Saleable GFA Pre-sold	Future Development: GFA with Land Use Right Not Yet Obtained[9]	Future Development: Total Estimated GFA for Future Development[10]	Actual/ Estimated Construction Commencement Date[11]	Actual/ Estimated Pre-sale Commencement Date[12]	Actual/ Estimated Construction Completion Date[13]	Development Cost Incurred as of July 31, 2020[14]	Estimated Future Development Cost[15]	Group's Interest in the Project as of Valuation Date[16]	Market Value Attributable to the Group[17]	Reference to Property Valuation Report[18]
	(in sq.m.)	(in sq.m.)	(in sq.m.)	(in sq.m.)	(in sq.m.)	(in sq.m.)		(in sq.m.)	(in sq.m.)	(in sq.m.)		(in sq.m.)	(in sq.m.)				(RMB in millions)	(RMB in millions)	(%)	(RMB in million)	
81 Chongqing Changjiang King's Garden (重慶長江銘著)	59,031	—	—	—	—	—	—	225,134	114,834	231,473	51%	—	—	January 2019	January 2019	November 2020	979.3	619.3	96.0%	2,192.2	81
82 Chongqing Jinhui City Phase IV (重慶金輝城四期)	135,452	485,995	4,506	1,336	72,854	490,501	99%	—	—	—	—	—	—	June 2013	March 2014	April 2018	2,305.6	0.4	96.0%	736.0	82
83 Chongqing Jinhui City Phase V (重慶金輝城五期二標)	9,932	—	—	—	—	—	—	—	—	—	—	—	71,235	December 2020	March 2021	May 2023	105.7	511.4	96.0%	657.5	83
84 Chongqing Jinhui Plaza (重慶金輝廣場)	28,229	123,801	—	2,955	120,846	123,801	—	—	—	—	—	—	—	February 2011	—	March 2015	473.8	—	96.0%	1,124.1	84
85 Liangping Hushan Elite's Mansion (梁平湖山雲著)	173,051	—	—	—	—	—		334,480	91,529	341,256		—	164,238				1,175.2	1,072.2	48.0%	676.9	85
Phase I		—	—	—	—	—	—	334,480	91,529	341,256	27%	—	13,525	November 2018	January 2019	November 2022	834.7	595.7			
Phase II		—	—	—	—	—	—	—	—	—	—	—	150,713	October 2021	January 2022	June 2024	340.5	476.5			
86 Chongqing Jinhui Elite's Mansion (重慶玖瓏雲璟)	25,896	—	—	—	—	—	—	—	—	—	—	75,166	75,166	October 2020	December 2020	March 2022	300.1	539.6	96.0%	—	86
87 Chongqing Jinhui Caiyun Lake (重慶金輝彩雲湖項目)	44,496	—	—	—	—	—	—	—	—	—	—	128,026	128,026	October 2020	January 2021	May 2022	459.1	864.6	96.0%	—	87
Hubei Province																					
Wuhan																					
88 Wuhan Jinhui City (武漢金輝城)	188,736	—	—	—	—	—	—	176,761	56,712	200,852	32%	—	493,265	January 2019	February 2019	November 2026	898.8	1,853.5	96.0%	871.0	88
89 Wuhan Jiangyue Elite's Mansion (武漢江樾雲著)	128,280	—	—	—	—	—	—	302,479	114,020	324,119	38%	—	326,677	April 2019	June 2019	December 2023	4,826.4	1,476.1	38.4%	2,114.4	89
90 Wuhan Jiangshan Elite's Mansion (武漢江山雲著)	151,926	—	—	—	—	—	—	—	—	—	—	—	959,545	December 2020	June 2021	January 2025	3,311.3	5,229.4	62.4%	2,327.6	90
91 Wuhan New Block Lakeside (武漢優步湖畔)	69,985	577	102,998	—	—	103,575	—	119,178	54,067	135,543	45%	—	—	June 2018	June 2018	September 2020	1,710.9	62.4	96.0%	1,806.5	91
Jingzhou																					
92 Jingzhou Chuyue Elite's Mansion (荊州楚樾雲著)	51,187	—	—	—	—	—	—	212,957	64,809	230,207	30%	—	—	March 2019	April 2019	May 2022	786.6	344.7	96.0%	862.8	92
Hunan Province																					
Changsha																					
93 Changsha Hongtao Jade Bay (長沙鴻濤翡翠灣)	60,145	44,965	4,625	—	—	49,590		117,374	73,157	123,932		—	—				960.2	189.1	96.0%	707.0	93
Phase I		44,965	4,625	—	—	49,590	88%	—	—	—	—	—	—	July 2015	June 2016	July 2018	325.9	—			
Phase II		—	—	—	—	—	—	117,374	73,157	123,932	62%	—	—	June 2019	August 2019	May 2022	634.3	189.1			
94 Changsha Xingyu Academy (長沙星語學府)	105,625	—	—	—	—	—	—	225,940	61,987	229,162	27%	—	178,346	May 2020	May 2020	November 2023	976.7	1,424.9	96.0%	1,023.7	94

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		Completed						Under Development				Future Development									
	(in sq.m.)	(in sq.m.)	(in sq.m.)	(in sq.m.)	(in sq.m.)	(in sq.m.)		(in sq.m.)	(in sq.m.)	(in sq.m.)		(in sq.m.)	(in sq.m.)				(RMB in millions)	(RMB in millions)	(%)	(RMB in million)	
95 Changsha Xingyue Yundi (長沙星樾雲邸)	115,142	—	—	—	—	—	—	347,573	814	359,708	0%	—	—	May 2020	July 2020	November 2022	1,189.1	1,042.7	96.0%	1,343.4	95
96 Changsha Jinhui Weichu Garden (長沙金輝惟楚花園)	60,331	20,502	5,643	—	—	26,145	78%	197,255	130,279	207,080	66%	—	—	April 2018	June 2018	December 2021	1,518.6	158.7	96.0%	1,326.4	96
Sichuan Province																					
Chengdu																					
97 Meishan Renshou Jinhui New Block Garden (眉山仁壽金輝優步花園)	41,112	—	—	—	—	—	—	111,550	82,414	121,758	74%	—	—	June 2018	August 2018	June 2021	627.8	217.5	96.0%	669.2	97
Anhui Province																					
Hefei																					
98 Hefei New Block Academy (合肥優步學府)	100,289	—	—	—	—	—	—	249,420	162,288	271,047	65%	—	—	December 2018	December 2018	November 2021	1,864.3	276.2	67.2%	1,512.6	98
99 Hefei Cloudworld Garden (合肥雲景花園)	16,262	—	—	—	—	—	—	46,846	28,437	49,985	61%	—	—	April 2018	September 2018	November 2020	730.0	33.3	96.0%	714.5	99
100 Hefei Xin'an Garden (合肥新安花園)	34,505	—	—	—	—	—	—	82,441	44,495	91,410	54%	—	—	September 2019	November 2019	November 2021	565.4	183.0	96.0%	595.9	100
101 Hefei Xin'an Yayuan (合肥新安雅苑)	64,532	—	—	—	—	—	—	161,619	18,295	177,111	11%	—		January 2020	May 2020	February 2023	1,017.4	383.8	96.0%	1,255.7	101
102 Hefei Xizi Garden (合肥西子花園)	104,760	235,240	22,947	—	—	258,187	91%	11,721	2,211	33,302	19%	—	—	July 2017	August 2017	December 2020	2,172.8	0.5	22.1%	25.9	102
Northwestern China																					
Shaanxi Province																					
Xi'an																					
103 Xi'an Jinghe Town (西安涇河小鎮)	697,823	—	—	—	—	—	—	820,205	183,277	826,559	22%	—	1,730,718	May 2011	October 2013	October 2028	3,374.5	7,862.3	96.0%	5,709.2	103
104 Xi'an Academy Mansion (西安崇文府)	46,649	—	—	—	—	—	—	101,005	40,703	116,239	40%	—	—	January 2019	April 2019	May 2021	472.2	251.6	96.0%	590.7	104
105 Xi'an New Block Avenue (西安優步大道)	189,256	—	—	—	—	—	—	—	—	—	—	812,326	812,326	January 2021	April 2021	December 2023	398.4	2,629.6	96.0%	—	105
106 Xi'an Jinhui World City Upper East Side (西安金輝世界城上東區)	66,537	229,968	34,879	—	—	264,848		—	—	—	—	—	—				1,563.0	—	96.0%	197.1	106
Phase I		117,674	34,663	—	—	152,338	77%	—	—	—	—	—	—	April 2015	August 2015	December 2018	870.7	—			
Phase II		112,294	216	—	—	112,510	100%	—	—	—	—	—	—	June 2017	August 2017	May 2020	692.3	—			
107 Xi'an Gaoxin Elite's Mansion (西安高新雲璟)	37,326	—	—	—	—	—	—	154,699	149,336	195,120	97%	—	—	April 2018	May 2018	March 2022	1,168.9	315.9	96.0%	1,679.9	107
108 Xi'an Jinhui Chang'an Elite's Mansion (西安金輝長安雲築)	53,859	—	—	—	—	—	—	199,696	—	219,831	—	—	—	July 2020	August 2020	May 2023	912.0	1,277.9	96.0%	1,069.6	108
109 Xi'an Jinhui New Block Garden (西安金輝優步花園)	39,412	89,217	—	—	—	89,217	100%	69,152	64,897	81,729	94%	—	—	May 2017	May 2017	October 2020	932.4	17.5	96.0%	587.5	109
110 Xi'an Jinhui East King's Garden (西安金輝東方銘著)	127,015	—	—	—	—	—	—	366,249	157,307	471,918	43%	—	—	August 2019	November 2019	November 2022	2,297.4	2,228.1	96.0%	2,816.7	110

Projects	Site Area[1]	Unsaleable GFA/GFA Sold[2]	GFA Available for Sale[3]	Rentable GFA[4]	Rentable GFA held for property investment[5]	Total GFA Completed[6]	Percentage of Total Saleable GFA Sold	Saleable GFA[7]	Pre-sold GFA	Total Planned GFA Under Development[8]	Percentage of Total Saleable GFA Pre-sold	GFA with Land Use Right Not Yet Obtained[9]	Total Estimated GFA for Future Development[10]	Actual/ Estimated Construction Commencement Date[11]	Actual/ Estimated Pre-sale Commencement Date[12]	Actual/ Estimated Construction Completion Date[13]	Development Cost Incurred as of July 31, 2020[14]	Estimated Future Development Cost[15]	Group's Interest in the Project as of Valuation Date[16]	Market Value Attributable to the Group[17]	Reference to Property Valuation Report[18]
		Completed						Under Development				Future Development									
	(in sq.m.)	(in sq.m.)	(in sq.m.)	(in sq.m.)	(in sq.m.)	(in sq.m.)		(in sq.m.)	(in sq.m.)	(in sq.m.)		(in sq.m.)	(in sq.m.)				(RMB in millions)	(RMB in millions)	(%)	(RMB in million)	
111 Xi'an Jinhui World City (西安金輝世界城)	451,495	735,447	109,849	—	15,074	845,295		657,113	531,467	729,843		—	—				10,370.0	2,393.7	96.0%	7,157.5	111
Phase A1-2		225,725	31,844	—	—	257,569	87%	—	—	—	—	—	—	December 2013	December 2013	December 2016	1,562.4	20.3			
Phase A3		175,307	38,828	—	—	214,135	81%	—	—	—	—	—	—	April 2015	September 2016	September 2019	1,233.9	57.6			
Phase B1-2		112,088	25,161	—	—	137,249	80%	—	—	—	—	—	—	December 2013	January 2014	March 2016	828.1	31.7			
Phase B3		—	—	—	—	—	—	100,524	91,030	117,070	91%	—	—	February 2019	June 2019	December 2020	880.5	347.0			
Phase C1		184,886	12,585	—	—	197,471	93%	—	—	—	—	—	—	August 2014	September 2014	December 2019	981.5	37.3			
Phase C2		—	—	—	—	—	—	183,273	140,727	193,366	77%	—	—	March 2018	March 2018	December 2020	1,044.9	737,5			
Block D		22,367	1,431	—	—	23,797	81%	299,896	269,956	344,454	90%	—	—	September 2016	September 2017	December 2021	2,971.7	1,022.1			
Block G		15,074	—	—	15,074	15,074	—	73,420	29,754	74,953	41%	—	—	December 2016	November 2018	April 2021	867.0	140.2			
112 Xi'an Jinhui World City Block I/J (西安金輝世界城I/J地塊)	115,320	—	—	—	—	—	—	295,245	145,831	312,711	49%	—	485,219	August 2017	December 2018	December 2028	1,978.6	3,832.0	96.0%	2,978.8	112
113 Xi'an Jinhui Global Plaza (西安金輝環球廣場)	46,649	295,264	39,596	—	152,241	334,860		—	—	—		—	—				2,240.9	194.1	96.0%	1,700.2	113
Phase I		55,989	36,950	—	27,905	92,939	41%	—	—	—	—	—	—	December 2014	December 2014	February 2017	499.5	17.2			
Phase II		239,275	2,646	—	124,336	241,921	97%	—	—	—		—	—	June 2016	February 2018	April 2020	1,741.4	176.9			
114 Xi'an Jinhui Building (International Plaza) (西安金輝大廈(國際廣場))	15,908	48,685	—	—	48,685	48,685	—	—	—	—	—	—	—	April 2012	—	August 2015	349.9	—	96.0%	458.3	114
115 Xi'an Chuangzhi Building (西安創智大廈)	6,035	20,497	—	—	20,497	20,497	—	—	—	—	—	—	—	October 2014	—	March 2019	123.6	—	96.0%	167.7	115
Henan Province																					
Zhengzhou																					
116 Zhengzhou Binhe Elite's Mansion (鄭州金輝濱河彩雲築)	88,578	—	—	—	—	—	—	272,609	52,336	292,028	19%	—	—	December 2018	March 2019	May 2024	2,643.8	724.0	96.0%	2,539.9	116
117 Zhengzhou New Block Garden (鄭州金輝優步花園)	48,549	—	—	—	—	—	—	157,427	42,543	167,249	27%	—	—	June 2019	August 2019	February 2023	836.9	595.0	96.0%	937.1	117
Property Projects Developed by Our Joint Ventures and Associates																					
Yangtze River Delta																					
Zhejiang Province																					
Hangzhou																					
1 Hangzhou Zizhangtai Apartment (杭州紫璋台公寓)	68,263	—	—	—	—	—	—	195,476	—	299,145	—	—	—	April 2018	December 2020	October 2020	5,006.6	264.3	49.0%	2,782.7	118
2 Hangzhou Huiyi Elite's Mansion (杭州輝逸雲築)	59,668	38,077	155,526	31,232	—	193,603	—	—	—	—	—	—	—	March 2018	December 2018	June 2020	2,506.5	183.9	47.0%	—	—
Ningbo																					
3 Jinhui & Powerlong Plaza (金輝寶龍城市廣場)	86,528	—	—	—	—	—	—	157,883	—	175,891	—	—	104,098	March 2020	August 2020	December 2022	1,669.9	1,108.3	47.0%	—	—

Projects	Site Area[1]	Unsaleable GFA/GFA Sold[2]	GFA Available for Sale[3]	Rentable GFA[4]	Rentable GFA held for property investment[5]	Total GFA Completed[6]	Percentage of Total Saleable GFA Sold	Saleable GFA[7]	Pre-sold GFA	Total Planned GFA Under Development[8]	Percentage of Total Saleable GFA Pre-sold	GFA with Land Use Right Not Yet Obtained[9]	Total Estimated GFA for Future Development[10]	Actual/ Estimated Construction Commencement Date[11]	Actual/ Estimated Pre-sale Commencement Date[12]	Actual/ Estimated Construction Completion Date[13]	Development Cost Incurred as of July 31, 2020[14]	Estimated Future Development Cost[15]	Group's Interest in the Project as of Valuation Date[16]	Market Value Attributable to the Group[17]	Reference to Property Valuation Report[18]
	Completed							Under Development				Future Development									
	(in sq.m.)	(in sq.m.)	(in sq.m.)	(in sq.m.)	(in sq.m.)	(in sq.m.)		(in sq.m.)	(in sq.m.)	(in sq.m.)		(in sq.m.)	(in sq.m.)				(RMB in millions)	(RMB in millions)	(%)	(RMB in million)	
Jiangsu Province (South)																					
Nanjing																					
4 Nanjing Time Mansion (南京時光悅府)	131,964	—	—	—	—	—	—	292,006	199,390	333,764	68%	—	—	July 2019	October 2019	April 2022	1,272.2	825.1	47.0%	—	—
5 Nanjing King's Garden Yayuan (南京銘著雅苑)	28,257	84,913	3,640	—	—	88,552	95%	—	—	—	—	—	—	October 2016	November 2016	April 2019	1,395.9	58.8	57.6%	—	—
Suzhou																					
6 Suzhou Lanxi Bay Yuyuan (蘇州瀾溪灣玉園)	66,738	77,178	45,459	2,825	—	122,637	61%	—	—	—	—	—	—	October 2017	September 2018	November 2019	1,464.6	—	30.7%	—	—
7 Suzhou Shanghu King's Garden (蘇州上湖名著花園)	46,004	93,800	28,102	7,268	—	121,902	72%	—	—	—	—	—	—	September 2017	October 2018	November 2019	1,265.0	—	31.7%	—	—
8 Suzhou Sea Time Garden (蘇州海上時光花園)	69,206	118,782	67,157	11,789	—	185,939	60%	—	—	—	—	—	—	November 2017	January 2018	April 2020	1,361.6	—	15.4%	—	—
9 Suzhou Huaman Seasons Garden (蘇州花漫四季花園)	32,044	69,879	12,147	6,665	—	82,026	83%	—	—	—	—	—	—	May 2017	September 2017	May 2020	813	—	49.0%	—	—
10 Suzhou Jiangnan Elite's Mansion Garden (蘇州江南澐著花園)	62,582	2,435	43,349	—	—	45,784		151,992	19,784	180,110		—	—				3,299.8	492.1	47.0%	—	—
Phase I		2,435	43,349	—	—	45,784	—	22,913	10,622	32,015	46%	—	—	October 2017	December 2019	August 2020	1,296.2	193.3			
Phase II		—	—	—	—	—	—	86,900	9,162	94,636	11%	—	—	September 2017	May 2020	December 2021	1,621.9	241.9			
Phase III		—	—	—	—	—	—	42,179	—	53,459	—	—	—	April 2018	February 2022	March 2022	381.7	56.9			
11 Suzhou Runyuan King's Garden (蘇州潤元名著花園)	80,669	147,260	49,448	13,795	—	196,708	72%	—	—	—	—	—	—	September 2016	May 2017	September 2019	3,769.8	—	49.0%	—	—
12 Suzhou Lake Yue Lanting (蘇州湖悅瀾庭)	59,235	148,588	—	9,707	—	158,295	100%	—	—	—	—	—	—	January 2018	May 2018	November 2019	922.3	—	15.7%	—	—
Yangzhou																					
13 Yangzhou Tang Yuan (揚州棠苑)	72,660	115,892	15,143	3,874	—	131,034	87%	—	—	4,505	—	—	—	January 2018	February 2018	October 2020	632.5	17.1	48.0%	—	—
Bohai Economic Rim																					
Tianjin Municipality																					
14 Tianjin Yonghe Yayuan (天津雍和雅苑)	45,437	—	—	—	—	—	—	74,805	—	90,126	—	—	—	March 2018	September 2021	May 2022	863.9	408.5	38.4%	—	—
15 Tianjin Yunzhu Garden (天津雲著花園)	62,024	—	—	—	—	—	—	98,339	984	107,526	1%	—	—	March 2018	October 2018	August 2021	1,135.1	323.2	57.6%	—	—
Hebei Province																					
Shijiazhuang																					
16 Shijiazhuang Jinke Tianyu Community (石家莊金科天譽小區)	56,946	—	—	—	—	—	—	155,912	—	161,604	—	—	—	May 2018	November 2020	November 2022	1,116.7	235.2	33.6%	—	—
17 Shijiazhuang Jinke Bocui Garden (石家莊金科博翠園)	37,004	52,883	42,645	—	—	95,528	49%	—	—	—	—	—	—	February 2018	March 2018	October 2019	810.6	30.2	24.0%	—	—

Projects	Site Area[1]	Unsaleable GFA/GFA Sold[2]	GFA Available for Sale[3]	Rentable GFA[4]	Rentable GFA held for property investment[5]	Total GFA Completed[6]	Percentage of Total Saleable GFA Sold	Saleable GFA[7]	Pre-sold GFA	Total Planned GFA Under Development[8]	Percentage of Total Saleable GFA Pre-sold	GFA with Land Use Right Not Yet Obtained[9]	Total Estimated GFA for Future Development[10]	Actual/ Estimated Construction Commencement Date[11]	Actual/ Estimated Pre-sale Commencement Date[12]	Actual/ Estimated Construction Completion Date[13]	Development Cost Incurred as of July 31, 2020[14]	Estimated Future Development Cost[15]	Group's Interest in the Project as of Valuation Date[16]	Market Value Attributable to the Group[17]	Reference to Property Valuation Report[18]
		Completed						Under Development				Future Development									
	(in sq.m.)	(in sq.m.)	(in sq.m.)	(in sq.m.)	(in sq.m.)	(in sq.m.)		(in sq.m.)	(in sq.m.)	(in sq.m.)		(in sq.m.)	(in sq.m.)				(RMB in millions)	(RMB in millions)	(%)	(RMB in million)	
Liaoning Province																					
Shenyang																					
18 Shenyang Jimei Wanxiang (瀋陽集美萬象)	78,517	38,125	32,262	—	—	70,387	52%	111,553	86,534	114,902	78%	—	—	November 2018	November 2018	October 2020	760.0	239.6	31.7%	—	—
Jiangsu Province (North)																					
Lianyungang																					
19 Lianyungang New Block Academy (連雲港優步學府)	51,452	—	—	—	—	—	—	135,295	90,804	143,174	67%	—	—	February 2018	May 2018	October 2020	889.4	178.8	49.0%	—	—
20 Lianyungang High Tech Cloud (連雲港高新雲璟)	79,720	—	—	—	—	—	—	189,177	18,171	220,118	10%	—	—	May 2020	July 2020	April 2023	825.7	814.8	48.0%	—	—
Southern China																					
Fujian Province																					
Fuzhou																					
21 Fuzhou Lexin Garden (福州樂信花園)	125,737	—	—	—	—	—	—	301,213	125,457	317,109	42%	—	—	September 2019	November 2019	January 2022	1,347.0	833.1	31.7%	—	—
22 Fuzhou Yuzhou Jinhui Zhongyang Garden (福州禹洲金輝中央花園)	45,134	88,420	26,575	—	—	114,995	75%	57,830	46,781	66,494	81%	—	—	November 2016	January 2017	December 2020	2,296.5	31.6	32.6%	—	—
23 Fuzhou Jinhui Longyue Garden District 1 (福州金輝瓏岳花園一區)	86,558	—	—	—	—	—	—	302,590	112,803	317,908	37%	—	—	October 2018	November 2019	October 2022	5,152.2	922.6	57.6%	—	—
24 Fuzhou Jinhui Longyue Garden District 2 (福州金輝瓏岳花園二區)	19,163	14,422	32,341	—	—	46,763	27%	—	—	—	—	—	—	October 2017	June 2018	August 2019	1,009.4	—	57.6%	—	—
Fuqing																					
25 Fuqing Bright Binjiang (福清璀璨濱江)	99,992	—	—	—	—	—	—	364,476	324,568	396,205	89%	—	—	September 2018	December 2018	March 2021	1,722.0	632.5	47.0%	—	—
26 Fuqing Bright Tianjing (福清璀璨天境)	26,133	—	—	—	—	—	—	99,613	93,384	111,366	94%	—	—	October 2018	December 2018	December 2020	505.3	219.4	47.0%	—	—
27 Fuqing Bright Tianyue (福清璀璨天悅)	36,757	—	—	—	—	—	—	146,185	139,126	158,131	95%	—	—	April 2019	June 2019	February 2021	705.5	319.6	15.0%	—	—
28 Fuqing City Plaza (福清城市廣場)	75,854	149,951	5,194	—	—	155,145	96%	82,571	66,579	169,066	81%	—	—	April 2017	September 2017	January 2021	1,652.9	391.6	48.0%	—	—
29 Fuqing Boyue Mansion (福清鉑悅公館)	41,675	—	—	—	—	—	—	125,518	87,135	134,644	69%	—	—	June 2018	June 2018	December 2020	874.9	116.4	32.0%	—	—
Guangdong Province																					
Foshan																					
30 Foshan Elite's Mansion Mingyuan (佛山雲著名苑)	39,844	30,307	7,462	—	—	37,769	79%	137,094	6,540	146,393	5%	—	—	September 2017	April 2018	April 2021	2,352.5	452.6	49.0%	—	—
31 Foshan Nut Mansion (佛山堅果公館)	7,804	26,465	8,156	—	—	34,621	71%	—	—	—	—	—	—	June 2018	May 2019	May 2019	214.6	36.6	32.6%	—	—

Projects	Site Area[1]	Completed: Unsaleable GFA/GFA Sold[2]	Completed: GFA Available for Sale[3]	Completed: Rentable GFA[4]	Completed: Rentable GFA held for property investment[5]	Completed: Total GFA Completed[6]	Completed: Percentage of Total Saleable GFA Sold	Under Development: Saleable GFA[7]	Under Development: Pre-sold GFA	Under Development: Total Planned GFA Under Development[8]	Under Development: Percentage of Total Saleable GFA Pre-sold	Future Development: GFA with Land Use Right Not Yet Obtained[9]	Future Development: Total Estimated GFA for Future Development[10]	Actual/ Estimated Construction Commencement Date[11]	Actual/ Estimated Pre-sale Commencement Date[12]	Actual/ Estimated Construction Completion Date[13]	Development Cost Incurred as of July 31, 2020[14]	Estimated Future Development Cost[15]	Group's Interest in the Project as of Valuation Date[16]	Market Value Attributable to the Group[17]	Reference to Property Valuation Report[18]
	(in sq.m.)	(in sq.m.)	(in sq.m.)	(in sq.m.)	(in sq.m.)	(in sq.m.)		(in sq.m.)	(in sq.m.)	(in sq.m.)		(in sq.m.)	(in sq.m.)				(RMB in millions)	(RMB in millions)	(%)	(RMB in million)	
Huizhou																					
32 Huizhou Baoliyue Mansion (惠州保利悅公館)	27,990	—	—	—	—	—	—	97,527	66,837	105,432	69%	—	—	November 2018	June 2019	November 2020	334.8	145.2	32.0%	—	—
Southwestern China																					
Chongqing Municipality																					
33 Chongqing Luming House (重慶麓銘府)	157,427	80,608	41,049	—	—	121,658	64%	365,187	232,076	384,957	64%	—	—	March 2018	April 2018	May 2021	2,108.6	539.4	32.6%	—	—
34 Chongqing Jinke Jinhui Meiyuan (重慶金科金輝美院)	177,239	255,127	225,944	—	—	481,071	51%	95,370	95,370	98,292	100%	—	—	September 2017	September 2017	January 2021	1,906.7	544.4	47.0%	1,116.9	119
35 Chongqing Jinke Jinhui Bocui Mountain (重慶金科金輝博翠山)	188,419	220,010	55,539	—	—	275,550	79%	102,884	102,106	105,652	99%	—	—	September 2017	November 2017	January 2021	1,495.8	437.7	47.0%	440.7	120
36 Chongqing Liyue Jiangshan (重慶禮悅江山)	61,919	51,061	20,726	—	—	71,787	71%	59,979	22,133	60,706	37%	—	15,043	June 2018	June 2018	June 2021	1,122.6	177.7	19.2%	—	—
Hunan Province																					
Changsha																					
37 Changsha Wangcheng 009 Project (長沙望城009項目)	93,063	—	—	—	—	—	—	—	—	—	—	297,894	297,894	November 2020	December 2020	October 2023	325.8	2,104.4	32.6%	—	—
Sichuan Province																					
Chengdu																					
38 Chengdu Midea Jinhui Town (成都美的・金輝郡)	41,940	—	—	—	—	—	—	76,369	—	87,149	—	—	—	July 2020	August 2020	August 2022	269.2	332.3	48.0%	—	—
39 Chengdu Peninsula Elite's Mansion Community (成都半島雲著小區)	110,510	146,055	138,721	23,535	—	284,777		—	—	—	—	—	—				1,723.7	88.9	48.0%	—	—
Phase I		81,370	22,226	8,999	—	103,597	75%							October 2017	April 2018	March 2019	599.6	68.4			
Phase II		64,685	116,495	14,536	—	181,180	23%							March 2018	August 2018	November 2019	1,124.1	20.5			
Anhui Province																					
Hefei																					
40 Hefei Duhui City (合肥都薈上城)	109,852	73,312	6,908	—	—	80,220	91%	199,142	62,588	211,854	31%	—	—	May 2018	June 2018	March 2022	1,865.6	508.7	24.0%	—	—
Northwestern China																					
Shaanxi Province																					
Xi'an																					
41 Xi'an Jinhui Mansion (西安金輝悅府)	64,269	380,499	37,082	1,476	—	419,058	90%	—	—	—	—	—	—	November 2012	June 2013	October 2017	2,103.0	9.3	96.0%	—	—

Projects	Site Area[1]	Completed: Unsaleable GFA/GFA Sold[2]	Completed: GFA Available for Sale[3]	Completed: Rentable GFA[4]	Completed: Rentable GFA held for property investment[5]	Completed: Total GFA Completed[6]	Completed: Percentage of Total Saleable GFA Sold	Under Development: Saleable GFA[7]	Under Development: Pre-sold GFA	Under Development: Total Planned GFA Under Development[8]	Under Development: Percentage of Total Saleable GFA Pre-sold	Future Development: GFA with Land Use Right Not Yet Obtained[9]	Future Development: Total Estimated GFA for Future Development[10]	Actual/ Estimated Construction Commencement Date[11]	Actual/ Estimated Pre-sale Commencement Date[12]	Actual/ Estimated Construction Completion Date[13]	Development Cost Incurred as of July 31, 2020[14]	Estimated Future Development Cost[15]	Group's Interest in the Project as of Valuation Date[16]	Market Value Attributable to the Group[17]	Reference to Property Valuation Report[18]
	(in sq.m.)	(in sq.m.)	(in sq.m.)	(in sq.m.)	(in sq.m.)	(in sq.m.)		(in sq.m.)	(in sq.m.)	(in sq.m.)		(in sq.m.)	(in sq.m.)				(RMB in millions)	(RMB in millions)	(%)	(RMB in million)	
42 Xi'an Jinhui Tianyu Baili Square (西安金輝天宇柏麗廣場)	35,237	—	—	—	—	—	—	—	—	—	—	—	292,960	October 2020	June 2022	December 2023	489.7	2,079.1	49.0%	—	—
43 Xi'an Jinhui Tianyu Fengxi Elite's Mansion (西安金輝天宇鳳栖雲著)	38,775	—	—	—	—	—	—	155,283	28,584	179,442	18%	—	—	January 2020	February 2020	February 2023	670.2	740.5	49.0%	—	—

Notes:

(1) For projects or project phases for which we have obtained land use right, based on the relevant land use right certificates (國有土地使用證); for projects or project phases for which we have not obtained land use right, based on the relevant land grant contracts (國有土地使用權出讓合同).

(2) Unsaleable GFA refers to certain communal facilities and ancillary facilities, such as certain underground GFA, spaces for security office, civil air defense areas etc., for which pre-sale permits will not be issued; GFA sold refers to completed GFA sold and delivered. Unsaleable GFA/GFA sold comprises, among others, rentable GFA and rentable GFA held for property investment.

(3) GFA available for sale is divided into (i) GFA pre-sold but yet to be delivered; and (ii) GFA unsold and available for sale.

(4) Refers to GFA available to generate rental income excluding GFA of the property held for investment.

(5) Refers to GFA of the property available to generate rental income and held for investment.

(6) Refers to total GFA completed, as set out in the completed construction work certified reports (建築工程竣工驗收報告/竣工證書). Total GFA completed equals to the sum of (i) unsaleable GFA/GFA sold and (ii) GFA available for sale.

(7) Refers to (i) GFA as set out in the pre-sale permits (預售許可證); (ii) GFA available for sale as set out in the construction work commencement permits (建築工程施工許可證); or (iii) the construction work planning permit (建設工程規劃許可證).

(8) Refers to total GFA under development as set out in the construction work commencement permits (建築工程施工許可證) or the construction work planning permit (建設工程規劃許可證).

(9) Refers to GFA for which the Group has signed a land grant contract but have not obtained the relevant land use right certificates.

(10) Refers to (i) GFA for which we have signed a land grant contract but have not obtained the relevant land use right certificates; and (ii) GFA for which we have obtained the land use right certificates but have not obtained the requisite construction work commencement permits.

(11) Refers to the date as set out in the construction work commencement permits or its estimated by the Group.

(12) Refers to the date the Group obtained or its estimated to obtain a pre-sale permit for the project based on the Group's internal records.

(13) For completed projects, refers to the date of the records of completion certificates (房屋建築工程竣工驗收備案表); for projects under development or for future development, refers to the Group's current estimation with reference to construction working plans.

(14) Refers to direct (unaudited) costs incurred for the relevant projects, including paid land premium of relevant land use permits, construction costs, capitalized interest and other development costs as of July 31, 2020.

(15) Refers to the budgeted costs estimated to be incurred based on the development costs incurred as of July 31, 2020.

(16) Refers to the effective equity interest in the respective city companies contained in the property valuation report as of July 31, 2020.

(17) Refers to the market value of the project in proportion to the Group's interest in the projects as of July 31, 2020.

(18) Refers to the project number stated in "Summary of Projects" in the property valuation report set out in Appendix III to this Prospectus.

(19) The name of the project was changed to Ningbo Huiyi Elite's Yunting (寧波輝逸雲庭).

Description of Projects

Key Projects Developed by Our Subsidiaries

Description of certain of the key projects developed by our subsidiaries is set out below.

Hangzhou

(1) ***Hangzhou Ziya Elite's Mansion (杭州紫雅雲邸)***

Hangzhou Ziya Elite's Mansion is a residential property project located in Hangzhou, Zhejiang Province. The project occupies an aggregate site area of 11,349 sq.m. and consists of residential properties and carparks. Hangzhou Ziya Elite's Mansion is developed by Hangzhou Ronghui Mingzhu Industrial Co., Ltd. (杭州融輝銘著實業有限公司). We entered into the relevant land grant contract and fully paid the total land premium of RMB646.2 million. The relevant land use right certificate was obtained in June 2018.

Based on our internal records, details of the project as of July 31, 2020 were as follows:

Construction period	
— Actual commencement date	May 2018
— Actual pre-sale commencement date	April 2020
— Estimated completion date	November 2020
Total planned GFA under development (sq.m.)	48,995
Saleable GFA (sq.m.)	34,446
GFA pre-sold (sq.m.)	25,501
Percentage of total saleable GFA pre-sold	74%
Development costs incurred	RMB819.5 million
Estimated future development cost	RMB93.7 million
Effective equity interest to our Group	96.0%

See Property No. 2 of the Property Valuation Report in Appendix III to this Prospectus.

Suzhou

(2) ***Suzhou New Block Four Seasons Garden (蘇州悠步四季花園)***

Suzhou New Block Four Seasons Garden is a residential project located in Suzhou, Jiangsu Province. The project comprises two phases and occupies an aggregate site area of 54,036 sq.m. and consists of residential properties and carparks. These two phases of this project are both developed by Suzhou Yunhui Real Estate Co., Ltd. (蘇州雲輝置業有限公司). We entered into the relevant land grant contracts and fully paid the total land premium of RMB782.2 million. Both relevant land use right certificates were obtained in November 2019.

For details of each phase of this project as of July 31, 2020, see below:

	Status	Total planned GFA under development (sq.m.)	Saleable GFA (sq.m.)	GFA pre-sold (sq.m.)	Percentage of total saleable GFA pre-sold	Actual Commencement Date	Actual/ Estimated Pre-sale Commencement Date	Estimated Completion Date
Phase I	Under development	53,188	49,746	29,988	60%	December 2019	May 2020	December 2021
Phase II	Under development	58,754	51,322	2,550	5%	January 2020	June 2020	January 2022
		111,942	101,068	32,538				

Based on our internal records, details of the project as of July 31, 2020 were as follows:

Development costs incurred	RMB916.6 million
Estimated future development cost	RMB367.5 million
Effective equity interest to our Group	96.0%

See Property No. 11 of the Property Valuation Report in Appendix III to this Prospectus.

(3) ***Suzhou Qianwan Commercial Center (蘇州淺灣商業中心)***

Suzhou Qianwan Commercial Center is a commercial property project located in Suzhou, Jiangsu Province. The project occupies an aggregate site area of 39,428 sq.m. and consists of commercial properties and carparks. Suzhou Qianwan Business Center is developed by Suzhou Jinhui Xinyuan Real Estate Co., Ltd. (蘇州金輝新園置業有限公司). We entered into the relevant land grant contract and fully paid the total land premium of RMB186.4 million. The relevant land use right certificate was obtained in June 2018.

Based on our internal records, details of the project as of July 31, 2020 were as follows:

Construction period	
— Actual commencement date	September 2017
— Actual pre-sale commencement date	December 2017
— Actual completion date	June 2019
Total GFA completed (sq.m.)	66,265
GFA available for sale (sq.m.)	14,355
Rentable GFA held for property investment (sq.m.)	36,464
Percentage of total saleable GFA sold	48%
Development costs incurred	RMB488.8 million
Effective equity interest to our Group	96.0%

See Property No. 12 of the Property Valuation Report in Appendix III to this Prospectus.

(4) ***Suzhou Runyuan Mansion Yayuan (蘇州潤元名著雅苑)***

Suzhou Runyuan Mansion Yayuan is a residential property project located in Suzhou, Jiangsu Province. The project occupies an aggregate site area of 43,611 sq.m. and consists of residential properties and carparks. Suzhou Runyuan Mansion Yayuan is developed by Suzhou Qihui Real Estate Co., Ltd. (蘇州啟輝置業有限公司). We entered into the relevant land grant contract and fully paid the total land premium of RMB1,238.2 million. The relevant land use right certificate was obtained in April 2019.

Based on our internal records, details of the project as of July 31, 2020 were as follows:

Construction period	
— Actual commencement date	April 2019
— Actual pre-sale commencement date	July 2019
— Estimated completion date	June 2021
Total planned GFA under development (sq.m.)	103,605
Saleable GFA (sq.m.)	91,470
GFA pre-sold (sq.m.)	69,019
Percentage of total saleable GFA pre-sold	75%
Development costs incurred	RMB1,472.0 million
Estimated future development cost	RMB234.3 million
Effective equity interest to our Group	67.2%

See Property No. 13 of the Property Valuation Report in Appendix III to this Prospectus.

Yangzhou

(5) ***Yangzhou New Block Avenue (揚州優步大道)***

Yangzhou New Block Avenue is a residential property project located in Yangzhou, Jiangsu Province. The project occupies an aggregate site area of 128,052 sq.m. and consists of residential properties, commercial properties and carparks. Yangzhou New Block Avenue is developed by Yangzhou Rongyu Real Estate Development Co., Ltd. (揚州融宇房地產開發有限公司). We entered into the relevant land grant contract and fully paid the total land premium of RMB1,062.0 million. The relevant land use right certificate was obtained in April 2019.

Based on our internal records, details of the project as of July 31, 2020 were as follows:

Construction period	
— Actual commencement date	August 2019
— Actual pre-sale commencement date	September 2019
— Estimated completion date	January 2023
Total planned GFA under development (sq.m.)	326,811
Saleable GFA (sq.m.)	292,803
GFA pre-sold (sq.m.)	90,946
Percentage of total saleable GFA pre-sold	31%
Development costs incurred	RMB1,299.4 million
Estimated future development cost	RMB835.2 million
Effective equity interest to our Group	96.0%

See Property No. 18 of the Property Valuation Report in Appendix III to this Prospectus.

Shanghai

(6) ***Shanghai Jinhui Tiancui Garden (上海金輝天萃苑)***

Shanghai Jinhui Tiancui Garden is a residential property project located in Shanghai. The project occupies an aggregate site area of 32,142 sq.m. and consists of residential properties and carparks. Shanghai Jinhui Tiancui Garden is developed by Shanghai Tiancui Real Estate Development Co., Ltd. (上海天萃房地產開發有限公司). We entered into the relevant land grant contract and fully paid the total land premium of RMB2,826.1 million. The relevant land use right certificate was obtained in May 2016.

Based on our internal records, details of the project as of July 31, 2020 were as follows:

Construction period	
— Actual commencement date	October 2016
— Actual pre-sale commencement date	July 2018
— Actual completion date	August 2019
Total GFA completed (sq.m.)	98,260
GFA available for sale (sq.m.)	14,673
Rentable GFA (sq.m.)	7,210
Percentage of total saleable GFA sold	81%
Development costs incurred	RMB3,980.5 million
Effective equity interest to our Group	96.0%

See Property No. 22 of the Property Valuation Report in Appendix III to this Prospectus.

Beijing

(7) ***Beijing Radiance Plaza (北京金輝大廈)***

Beijing Radiance Plaza is a commercial property project located in Beijing. The project occupies an aggregate site area of 11,423 sq.m. and consists of office buildings, commercial properties and carparks. Beijing Radiance Plaza is developed by Beijing Juye Real Estate Co., Ltd. (北京居業置業有限公司). We entered into the relevant land grant contract and fully paid the total land premium of RMB201.8 million. The relevant land use right certificate was first obtained in December 2014, and was replaced by an updated land use right certificate in June 2018.

Based on our internal records, details of the project as of July 31, 2020 were as follows:

Construction period	
— Actual commencement date	November 2014
— Actual pre-sale commencement date	—
— Actual completion date	December 2016
Total GFA completed (sq.m.)	119,271
Rentable GFA (sq.m.)	3,237
Rentable GFA held for property investment (sq.m.)	102,975
Development costs incurred	RMB1,639.9 million
Effective equity interest to our Group	96.0%

See Property No. 25 of the Property Valuation Report in Appendix III to this Prospectus.

Tianjin

(8) ***Tianjin Xueshi Garden (天津學仕花園)***

Tianjin Xueshi Garden is a residential property project located in Tianjin municipality. The project occupies an aggregate site area of 80,124 sq.m. and consists of residential properties, commercial properties and carparks. Tianjin Xueshi Garden is developed by Tianjin Qihui Real Estate Development Co., Ltd. (天津啟輝房地產開發有限公司). We entered into the relevant land grant contract and fully paid the total land premium of RMB884.0 million. The relevant land use right certificate was obtained in June 2019.

Based on our internal records, details of the project as of July 31, 2020 were as follows:

Construction period	
— Actual commencement date	April 2019
— Actual pre-sale commencement date	June 2019
— Estimated completion date	August 2022
Total planned GFA under development (sq.m.)	198,622
Saleable GFA (sq.m.)	186,325
GFA pre-sold (sq.m.)	68,097
Percentage of total saleable GFA pre-sold	37%
Development costs incurred	RMB1,064.1 million
Estimated future development cost	RMB561.9 million
Effective equity interest to our Group	96.0%

See Property No. 26 of the Property Valuation Report in Appendix III to this Prospectus.

(9) ***Tianjin Yunque Garden (天津雲闕花園)***

Tianjin Yunque Garden is a residential property project located in Tianjin municipality. The project occupies an aggregate site area of 42,078 sq.m. and consists of residential properties, commercial properties and carparks. Tianjin Yunque Garden is developed by Tianjin Shenghui Real Estate Development Co., Ltd. (天津盛輝房地產開發有限公司). We entered into the relevant land grant contract and fully paid the total land premium of RMB464.6 million. The relevant land use right certificate was obtained in July 2019.

Based on our internal records, details of the project as of July 31, 2020 were as follows:

Construction period	
— Actual commencement date	July 2019
— Actual pre-sale commencement date	November 2019
— Estimated completion date	April 2022
Total planned GFA under development (sq.m.)	95,408
Saleable GFA (sq.m.)	87,300
GFA pre-sold (sq.m.)	20,521
Percentage of total saleable GFA pre-sold	24%
Development costs incurred	RMB555.5 million
Estimated future development cost	RMB245.5 million
Effective equity interest to our Group	96.0%

See Property No. 29 of the Property Valuation Report in Appendix III to this Prospectus.

(10) ***Tianjin Yuncui Garden (天津雲萃花園)***

Tianjin Yuncui Garden is a residential property project located in Tianjin municipality. The project occupies an aggregate site area of 25,236 sq.m. and consists of residential properties, commercial properties and carparks. Tianjin Yuncui Garden is developed by Tianjin Jinhui Real Estate Development Co., Ltd. (天津金輝房地產開發有限公司). We entered into the relevant land grant contract and fully paid the total land premium of RMB640.0 million. The relevant land use right certificate was obtained in January 2019.

Based on our internal records, details of the project as of July 31, 2020 were as follows:

Construction period	
— Actual commencement date	January 2019
— Actual pre-sale commencement date	May 2019
— Estimated completion date	November 2021
Total planned GFA under development (sq.m.)	66,671
Saleable GFA (sq.m.)	60,661
GFA pre-sold (sq.m.)	41,815
Percentage of total saleable GFA pre-sold	69%
Development costs incurred	RMB877.9 million
Estimated future development cost	RMB89.8 million
Effective equity interest to our Group	96.0%

See Property No. 31 of the Property Valuation Report in Appendix III to this Prospectus.

Shijiazhuang

(11) ***Shijiazhuang Kaiyuan House (石家莊開元府)***

Shijiazhuang Kaiyuan House is a residential property project located in Shijiazhuang, Hebei Province. The project occupies an aggregate site area of 54,619 sq.m. and consists of residential properties, commercial properties and carparks. Shijiazhuang Kaiyuan House is developed by Shijiazhuang Ronghui Real Estate Development Co., Ltd. (石家莊融輝房地產開發有限公司). We entered into the relevant land grant contract and fully paid the total land premium of RMB516.0 million. The relevant land use right certificate was obtained in August 2018.

Based on our internal records, details of the project as of July 31, 2020 were as follows:

Construction period	
— Actual commencement date	November 2018
— Actual pre-sale commencement date	March 2019
— Estimated completion date	September 2021
Total planned GFA under development (sq.m.)	101,302
Saleable GFA (sq.m.)	82,828
GFA pre-sold (sq.m.)	45,802
Percentage of total saleable GFA pre-sold	55%
Development costs incurred	RMB773.3 million
Estimated future development cost	RMB313.4 million
Effective equity interest to our Group	96.0%

See Property No. 37 of the Property Valuation Report in Appendix III to this Prospectus.

Langfang

(12) ***Langfang New Block Riverside Garden (廊坊優步水岸花園)***

Langfang New Block Riverside Garden is a residential property project located in Langfang, Hebei Province. The project occupies an aggregate site area of 167,549 sq.m. and consists of residential properties, commercial properties and carparks. Langfang New Block Riverside Garden is developed by Langfang Qihui Real Estate Development Co., Ltd. (廊坊市啟輝房地產開發有限公司). We entered into the relevant land grant contract with the total land premium of RMB2,030.7 million. As of July 31, 2020, we had paid the land premium of RMB1,907.9 million. Both relevant land use right certificates were obtained in August 2019.

Based on our internal records, details of the project as of July 31, 2020 were as follows:

Construction period	
— Actual commencement date	December 2019
— Actual pre-sale commencement date	August 2020
— Estimated completion date	April 2024
Total planned GFA under development (sq.m.)	281,813
Saleable GFA (sq.m.)	261,281
Total estimated GFA for future development (sq.m.)	173,905
Development costs incurred	RMB2,053.5 million
Estimated future development cost	RMB1,856.2 million
Effective equity interest to our Group	96.0%

See Property No. 39 of the Property Valuation Report in Appendix III to this Prospectus.

Shenyang

(13) ***Shenyang Jiangshan Elite's Mansion (瀋陽江山雲著)***

Shenyang Jiangshan Elite's Mansion is a residential property project located in Shenyang, Liaoning Province. The project occupies an aggregate site area of 127,325 sq.m. and consists of residential properties, commercial properties and carparks. Shenyang Jiangshan Elite's Mansion is developed by Shenyang Guangxing Real Estate Development Co., Ltd. (瀋陽廣興房地產開發有限公司). We entered into the relevant land grant contract and fully paid the total land premium of RMB672.3 million. The relevant land use right certificate was obtained in June 2017.

Based on our internal records, details of the project as of July 31, 2020 were as follows:

Construction period	
— Actual commencement date	May 2018
— Actual pre-sale commencement date	June 2018
— Estimated completion date	October 2020
Total planned GFA under development (sq.m.)	248,741
Saleable GFA (sq.m.)	228,541
GFA pre-sold (sq.m.)	152,508
Percentage of total saleable GFA pre-sold	67%
Development costs incurred	RMB1,638.0 million
Estimated future development cost	RMB22.7 million
Effective equity interest to our Group	96.0%

See Property No. 40 of the Property Valuation Report in Appendix III to this Prospectus.

Yancheng

(14) ***Yancheng Jinhui City Block D (鹽城金輝城D 地塊)***

Yancheng Jinhui City Block D is a residential property project located in Yancheng, Jiangsu Province. The project occupies an aggregate site area of 76,441 sq.m. and consists of residential properties, commercial properties and carparks. Yancheng Jinhui City Block D is developed by Yancheng Jinhui Juye Real Estate Development Co., Ltd (鹽城金輝居業房地產開發有限公司). We entered into the relevant land grant contract and fully paid the total land premium of RMB275.2 million. The land use right certificate was obtained in November 2011.

Based on our internal records, details of the project as of July 31, 2020 were as follows:

Construction period	
— Actual commencement date	November 2017
— Actual pre-sale commencement date	December 2017
— Estimated completion date	February 2023
Total GFA completed (sq.m.)	113,052
GFA available for sale (sq.m.)	254
Percentage of total saleable GFA sold	100%
Total planned GFA under development (sq.m.)	41,801
Saleable GFA (sq.m.)	37,896
GFA pre-sold (sq.m.)	17,783
Percentage of total saleable GFA pre-sold	47%
Total estimated GFA for future development (sq.m.)	101,390
Development costs incurred	RMB804.7 million
Estimated future development cost	RMB504.0 million
Effective equity interest to our Group	96.0%

See Property No. 41 of the Property Valuation Report in Appendix III to this Prospectus.

(15) ***Yancheng Jinhui New Block Garden (鹽城金輝優步花苑)***

Yancheng Jinhui New Block Garden is a residential property project located in Yancheng, Jiangsu Province. The project occupies an aggregate site area of 31,180 sq.m. and consists of residential properties, commercial properties and carparks. Yancheng Jinhui New Block Garden is developed by Yancheng Qihui Real Estate Co., Ltd. (鹽城啟輝置業有限公司). We entered into the relevant land grant contract and fully paid the total land premium of RMB187.4 million. The relevant land use right certificate was obtained in May 2019.

Based on our internal records, details of the project as of July 31, 2020 were as follows:

Construction period	
— Actual commencement date	August 2019
— Actual pre-sale commencement date	September 2019
— Estimated completion date	March 2022
Total planned GFA under development (sq.m.)	91,843
Saleable GFA (sq.m.)	80,002
GFA pre-sold (sq.m.)	31,774
Percentage of total saleable GFA pre-sold	40%
Development costs incurred	RMB295.5 million
Estimated future development cost	RMB193.0 million
Effective equity interest to our Group	96.0%

See Property No. 42 of the Property Valuation Report in Appendix III to this Prospectus.

Huai'an

(16) ***Huai'an Jinhui City Phase II (淮安金輝城二期)***

Huai'an Jinhui City Phase II is a residential property project located in Huai'an, Jiangsu Province. The project occupies an aggregate site area of 86,833 sq.m., which comprises site area for a phase which has been completed and substantially sold, and consists of residential properties, commercial properties and carparks. Huai'an Jinhui City Phase II is developed by Huai'an Ronghui Residence Real Estate Co., Ltd. (淮安融輝居業有限公司). We entered into the relevant land grant contract and fully paid the total land premium of RMB183.0 million, which comprises the land premium for Phase I & Phase II. The relevant land use right certificate was obtained in October 2011.

Based on our internal records, details of the project as of July 31, 2020 were as follows:

Construction period	
— Actual commencement date	August 2018
— Actual pre-sale commencement date	October 2018
— Estimated completion date	November 2020
Total GFA completed (sq.m.)	46,920
Percentage of total saleable GFA sold	100%
Total planned GFA under development (sq.m.)	172,284
Saleable GFA (sq.m.)	151,408
GFA pre-sold (sq.m.)	148,276
Percentage of total saleable GFA pre-sold	98%
Development costs incurred	RMB711.8 million
Estimated future development cost	RMB249.6 million
Effective equity interest to our Group	96.0%

See Property No. 44 of the Property Valuation Report in Appendix III to this Prospectus.

(17) ***Huai'an Jinhui City Phase III (淮安金輝城三期)***

Huai'an Jinhui City Phase III is a residential property project located in Huai'an, Jiangsu Province. The project occupies an aggregate site area of 108,819 sq.m. and consists of residential properties, commercial properties and carparks. Huai'an Jinhui City Phase III is developed by Huai'an Ronghui Properties Co., Ltd. (淮安融輝房地產有限公司). We entered into the relevant land grant contract and fully paid the total land premium of RMB333.6 million. The relevant land use right certificate was obtained in September 2018.

Based on our internal records, details of the project as of July 31, 2020 were as follows:

Construction period	
— Actual commencement date	June 2019
— Actual pre-sale commencement date	August 2019
— Estimated completion date	November 2022
Total planned GFA under development (sq.m.)	352,858
Saleable GFA (sq.m.)	322,173
GFA pre-sold (sq.m.)	302,601
Percentage of total saleable GFA pre-sold	94%
Development costs incurred	RMB749.1 million
Estimated future development cost	RMB743.5 million
Effective equity interest to our Group	97.4%

See Property No. 45 of the Property Valuation Report in Appendix III to this Prospectus.

Lianyungang

(18) ***Lianyungang Jinhui Four Seasons Guanlan (連雲港四季金輝觀嵐)***

Lianyungang Jinhui Four Seasons Guanlan is a residential property project located in Lianyungang, Jiangsu Province. The project occupies an aggregate site area of 49,756 sq.m. and consists of residential properties and carparks. Lianyungang Jinhui Four Seasons Guanlan is developed by Lianyungang Ronghui Real Estate Co. Ltd. (連雲港融輝置業有限公司). We entered into the relevant land grant contract and fully paid the total land premium of RMB446.0 million. The relevant land use right certificate was obtained in March 2019.

Based on our internal records, details of the project as of July 31, 2020 were as follows:

Construction period	
— Actual commencement date	April 2019
— Actual pre-sale commencement date	June 2019
— Estimated completion date	August 2021
Total planned GFA under development (sq.m.)	140,306
Saleable GFA (sq.m.)	125,762
GFA pre-sold (sq.m.)	81,226
Percentage of total saleable GFA pre-sold	65%
Development costs incurred	RMB690.0 million
Estimated future development cost	RMB278.5 million
Effective equity interest to our Group	96.0%

See Property No. 50 of the Property Valuation Report in Appendix III to this Prospectus.

Fuzhou

(19) ***Fuzhou Jinhui New Block Garden (福州金輝優步花園)***

Fuzhou Jinhui New Block Garden is a residential property project located in Fuzhou, Fujian Province. The project occupies an aggregate site area of 19,891 sq.m. and consists of residential properties, commercial properties and carparks. Fuzhou Jinhui New Block Garden is developed by Fuzhou Xianghui Real Estate Co., Ltd. (福州祥輝房地產有限公司). We entered into the relevant land grant contract and fully paid the total land premium of RMB395.0 million. The relevant land use right certificate was obtained in July 2019.

Based on our internal records, details of the project as of July 31, 2020 were as follows:

Construction period	
— Actual commencement date	August 2019
— Actual pre-sale commencement date	November 2019
— Estimated completion date	May 2021
Total planned GFA under development (sq.m.)	71,505
Saleable GFA (sq.m.)	64,691
GFA pre-sold (sq.m.)	34,177
Percentage of total saleable GFA pre-sold	53%
Development costs incurred	RMB521.5 million
Estimated future development cost	RMB78.1 million
Effective equity interest to our Group	96.0%

See Property No. 55 of the Property Valuation Report in Appendix III to this Prospectus.

(20) ***Fuzhou Huai'an (福州淮安)***

Fuzhou Huai'an is a residential property project located in Fuzhou, Fujian Province. The project comprises four phases and occupies an aggregate site area of 1,042,136 sq.m. and consists of residential properties, commercial properties and carparks. These four phases of this project are all developed by Rongqiao (Fuzhou) Real Estate Co., Ltd. (融僑(福州)置業有限公司). We entered into the relevant land grant contracts and fully paid the total land premium of RMB1,919.4 million. The land use right certificates were obtained in April 2009, April 2013, July 2013 and July 2014, respectively.

For details of each phase of this project as of July 31, 2020, see below:

	Status	Total GFA completed (sq.m.)	GFA available for sale (sq.m.)	Percentage of total saleable GFA sold	Total Estimated GFA for Future Development	Actual Commencement Date	Actual Pre-sale Commencement Date	Actual/ Estimated Completion Date
Phase I	Completed	182,679	7,010	94%	—	April 2009	August 2011	December 2014
Phase II	Completed	882,777	257,110	68%	—	September 2012	April 2013	January 2020
Phase III	Completed and held for future development	31,252	17,706	39%	81,217	November 2014	September 2015	December 2021
Phase V	Completed	171,950	16,007	90%	—	May 2013	November 2013	May 2016
		1,268,658	297,833		81,217			

Based on our internal records, details of the project as of July 31, 2020 were as follows:

Development costs incurred	RMB12,895.4 million
Estimated future development cost	RMB1,693.8 million
Effective equity interest to our Group	57.6%

See Property No. 57 of the Property Valuation Report in Appendix III to this Prospectus.

Fuqing

(21) ***Fuqing New Block Avenue (福清優步大道)***

Fuqing New Block Avenue is a residential property project located in Fuqing, Fujian Province. The project occupies an aggregate site area of 43,071 sq.m. and consists of residential properties, commercial properties and carparks. Fuqing New Block Avenue is developed by Fuqing Jinghui Real Estate Development Co., Ltd. (福清京輝房地產開發有限公司). We entered into the relevant land grant contract and fully paid the total land premium of RMB408.0 million. The relevant land use right certificate was obtained in July 2019.

Based on our internal records, details of the project as of July 31, 2020 were as follows:

Construction period	
— Actual commencement date	July 2019
— Actual pre-sale commencement date	December 2019
— Estimated completion date	January 2022
Total planned GFA under development (sq.m.)	187,159
Saleable GFA (sq.m.)	173,672
GFA pre-sold (sq.m.)	119,489
Percentage of total saleable GFA pre-sold	69%
Development costs incurred	RMB587.9 million
Estimated future development cost	RMB374.4 million
Effective equity interest to our Group	96.0%

See Property No. 59 of the Property Valuation Report in Appendix III to this Prospectus.

(22) ***Fuqing Guanlan Elite's Mansion (福清觀瀾雲著)***

Fuqing Guanlan Elite's Mansion is a residential property project located in Fuqing, Fujian Province. The project occupies an aggregate site area of 49,440 sq.m. and consists of residential properties, commercial properties and carparks. Fuqing Guanlan Elite's Mansion is developed by Fuqing Jinhui Juye Real Estate Co., Ltd. (福清金輝居業房地產有限公司). We entered into the relevant land grant contract and fully paid the total land premium of RMB428.0 million. The relevant land use right certificate was obtained in October 2018.

Based on our internal records, details of the project as of July 31, 2020 were as follows:

Construction period	
— Actual commencement date	December 2018
— Actual pre-sale commencement date	April 2019
— Estimated completion date	November 2021
Total planned GFA under development (sq.m.)	192,906
Saleable GFA (sq.m.)	175,605
GFA pre-sold (sq.m.)	162,151
Percentage of total saleable GFA pre-sold	92%
Development costs incurred	RMB895.0 million
Estimated future development cost	RMB100.6 million
Effective equity interest to our Group	96.0%

See Property No. 61 of the Property Valuation Report in Appendix III to this Prospectus.

Foshan

(23) ***Foshan New Block Avenue (佛山優步大道)***

Foshan New Block Avenue is a residential property project located in Foshan, Guangdong Province. The project occupies an aggregate site area of 43,523 sq.m. and consists of residential properties, commercial properties and carparks. Foshan New Block Avenue is developed by Foshan Jinhui Real Estate Co., Ltd. (佛山市金輝房地產有限公司). We entered into the relevant land grant contract and fully paid the total land premium of RMB1,196.9 million. The land use right certificate was first obtained in July 2017, which was replaced by an updated land use right certificate in October 2019.

Based on our internal records, details of the project as of July 31, 2020 were as follows:

Construction period	
— Actual commencement date	September 2017
— Actual pre-sale commencement date	January 2018
— Estimated completion date	April 2021
Total GFA completed (sq.m.)	72,471
GFA available for sale (sq.m.)	44,605
Percentage of total saleable GFA sold	36%
Total planned GFA under development (sq.m.)	68,151
Saleable GFA (sq.m.)	55,737
GFA pre-sold (sq.m.)	22,636
Percentage of total saleable GFA pre-sold	41%
Development costs incurred	RMB1,901.7 million
Estimated future development cost	RMB146.1 million
Effective equity interest to our Group	96.0%

See Property No. 67 of the Property Valuation Report in Appendix III to this Prospectus.

(24) ***Foshan New Block Academy (佛山優步學府)***

Foshan New Block Academy is a residential property project located in Foshan, Guangdong Province. The project occupies an aggregate site area of 23,275 sq.m. and consists of residential properties and carparks. Foshan New Block Academy is developed by Foshan Gaoming District Longguangjingjun Real Estate Co., Ltd. (佛山市高明區龍光景駿房地產有限公司). We entered into the relevant land grant contract and fully paid the total land premium of RMB188.0 million. The relevant land use right certificate was obtained in November 2017.

Based on our internal records, details of the project as of July 31, 2020 were as follows:

Construction period	
— Actual commencement date	April 2018
— Actual pre-sale commencement date	December 2018
— Actual completion date	June 2020
Total GFA completed (sq.m.)	75,517
GFA available for sale (sq.m.)	64,456
Percentage of total saleable GFA sold	—
Rentable GFA (sq.m.)	4,165
Development costs incurred	RMB409.7 million
Estimated future development cost	RMB35.0 million
Effective equity interest to our Group	48.0%

See Property No. 69 of the Property Valuation Report in Appendix III to this Prospectus.

Huizhou

(25) ***Huizhou Dongdi Huayuan (惠州東堤華園)***

Huizhou Dongdi Huayuan is a residential property project located in Huizhou, Guangdong Province. The project occupies an aggregate site area of 19,231 sq.m. and consists of residential properties, commercial properties and carparks. Huizhou Dongdi Huayuan is developed by Huizhou Shunxiang Real Estate Development

Co., Ltd. (惠州市順翔房地產開發有限公司). We acquired 100% of equity interest of Huizhou Shunxiang Real Estate Development Co., Ltd. in September 2017 with an aggregate consideration of RMB51.3 million. As of July 31, 2020, the consideration had been fully paid. The relevant land use right certificate was obtained in May 2017.

Based on our internal records, details of the project as of July 31, 2020 were as follows:

Construction period	
— Actual commencement date	April 2018
— Actual pre-sale commencement date	August 2018
— Actual completion date	July 2020
Total GFA completed (sq.m.)	90,015
GFA available for sale (sq.m.)	83,770
Percentage of total saleable GFA sold	—
Development costs incurred	RMB724.0 million
Estimated future development cost	RMB30.0 million
Effective equity interest to our Group	96.0%

See Property No. 72 of the Property Valuation Report in Appendix III to this Prospectus.

(26) ***Huizhou Jinhui Elegant Pavilion (惠州金輝風雅軒)***

Huizhou Jinhui Elegant Pavilion is a residential property project located in Huizhou, Guangdong Province. The project occupies an aggregate site area of 49,915 sq.m. and consists of residential properties, commercial properties and carparks. Huizhou Jinhui Elegant Pavilion is developed by Huizhou Hengshengtai Real Estate Development Co., Ltd. (惠州市恒盛泰房地產開發有限公司). We acquired 100% of equity interest of Huizhou Hengshengtai Real Estate Development Co., Ltd. in January 2018 with an aggregate consideration of RMB361.9 million. As of July 31, 2020, the consideration had been fully paid. The relevant land use right certificate was obtained in December 2018.

Based on our internal records, details of the project as of July 31, 2020 were as follows:

Construction period	
— Actual commencement date	May 2019
— Actual pre-sale commencement date	November 2019
— Estimated completion date	November 2022
Total planned GFA under development (sq.m.)	161,060
Saleable GFA (sq.m.)	144,181
GFA pre-sold (sq.m.)	41,893
Percentage of total saleable GFA pre-sold	29%
Development costs incurred	RMB738.3 million
Estimated future development cost	RMB288.3 million
Effective equity interest to our Group	96.0%

See Property No. 73 of the Property Valuation Report in Appendix III to this Prospectus.

Chongqing

(27) ***Chongqing Zhongyang King's Garden (重慶中央銘著)***

Chongqing Zhongyang King's Garden is a residential property project located in Chongqing municipality. The project occupies an aggregate site area of 157,925 sq.m. and consists of residential properties, commercial properties and carparks. Chongqing Zhongyang King's Garden is developed by Chongqing Jinhui Changjiang Real Estate Co., Ltd. (重慶金輝長江房地產有限公司). We entered into the relevant land grant contract and fully paid the total land premium of RMB2,847.3 million. The land use right certificates were obtained in May 2017, August 2017 and July 2018, respectively.

Based on our internal records, details of the project as of July 31, 2020 were as follows:

Construction period	
— Actual commencement date	November 2017
— Actual pre-sale commencement date	November 2017
— Estimated completion date	October 2022
Total GFA completed (sq.m.)	300,029
GFA available for sale (sq.m.)	110,132
Percentage of total saleable GFA sold	62%
Total planned GFA under development (sq.m.)	327,540
Saleable GFA (sq.m.)	316,916
GFA pre-sold (sq.m.)	133,589
Percentage of total saleable GFA pre-sold	42%
Development costs incurred	RMB4,633.0 million
Estimated future development cost	RMB742.5 million
Effective equity interest to our Group	96.0%

See Property No. 78 of the Property Valuation Report in Appendix III to this Prospectus.

(28) ***Chongqing Yujiang House (重慶禦江府)***

Chongqing Yujiang House is a residential property project located in Chongqing municipality. The project occupies an aggregate site area of 77,342 sq.m. and consists of residential properties, commercial properties and carparks. Chongqing Yujiang House is developed by Chongqing Jinhui Changjiang Real Estate Co., Ltd. (重慶金輝長江房地產有限公司). We entered into the relevant land grant contract and fully paid the total land premium of RMB109.9 million. The relevant land use right certificate was obtained in November 2017.

Based on our internal records, details of the project as of July 31, 2020 were as follows:

Construction period	
— Actual commencement date	November 2016
— Actual pre-sale commencement date	December 2016
— Estimated completion date	September 2020
Total GFA completed (sq.m.)	390,494
GFA available for sale (sq.m.)	119,955
Percentage of total saleable GFA sold	69%
Total planned GFA under development (sq.m.)	78,844
Saleable GFA (sq.m.)	78,814
GFA pre-sold (sq.m.)	78,814
Percentage of total saleable GFA pre-sold	100%
Development costs incurred	RMB2,406.0 million
Estimated future development cost	RMB320.2 million
Effective equity interest to our Group	96.0%

See Property No. 79 of the Property Valuation Report in Appendix III to this Prospectus.

(29) ***Chongqing Boshe (重慶泊舍)***

Chongqing Boshe is a residential property project located in Chongqing municipality. The project occupies an aggregate site area of 52,086 sq.m. and consists of residential properties, commercial properties and carparks. Chongqing Boshe is developed by Chongqing Jinhui Changjiang Real Estate Co., Ltd. (重慶金輝長江房地產有限公司). We entered into the relevant land grant contract and fully paid the total land premium of RMB74.0 million. The relevant land use right certificate was obtained in December 2017.

Based on our internal records, details of the project as of July 31, 2020 were as follows:

Construction period	
— Actual commencement date	November 2017
— Actual pre-sale commencement date	March 2018
— Actual completion date	July 2020
Total GFA completed (sq.m.)	95,988
GFA available for sale (sq.m.)	34,583
Percentage of total saleable GFA sold	63%
Development costs incurred	RMB808.5 million
Effective equity interest to our Group	96.0%

See Property No. 80 of the Property Valuation Report in Appendix III to this Prospectus.

(30) ***Chongqing Changjiang King's Garden (重慶長江銘著)***

Chongqing Changjiang King's Garden is a residential property project located in Chongqing municipality. The project occupies an aggregate site area of 59,031 sq.m. and consists of residential properties, commercial properties and carparks. Chongqing Changjiang King's Garden is developed by Chongqing Jinhui Changjiang Real Estate Co., Ltd. (重慶金輝長江房地產有限公司). We entered into the relevant land grant contract and fully paid the total land premium of RMB85.2 million. The land use right certificate was first obtained in June 2012, which was replaced by an updated land use right certificate in December 2018.

Based on our internal records, details of the project as of July 31, 2020 were as follows:

Construction period	
— Actual commencement date	January 2019
— Actual pre-sale commencement date	January 2019
— Estimated completion date	November 2020
Total planned GFA under development (sq.m.)	231,473
Saleable GFA (sq.m.)	225,134
GFA pre-sold (sq.m.)	114,834
Percentage of total saleable GFA pre-sold	51%
Development costs incurred	RMB979.3 million
Estimated future development cost	RMB619.3 million
Effective equity interest to our Group	96.0%

See Property No. 81 of the Property Valuation Report in Appendix III to this Prospectus.

(31) ***Chongqing Jinhui City Phase IV (重慶金輝城四期)***

Chongqing Jinhui City Phase IV is a residential and commercial property project located in Chongqing municipality. The project occupies an aggregate site area of 135,452 sq.m. and consists of residential properties, commercial properties and carparks. The project is developed by Chongqing Jinhui Changjiang Real Estate Co., Ltd. (重慶金輝長江房地產有限公司). We entered into the relevant land grant contract and fully paid the total land premium of RMB340.0 million. The relevant land use right certificate was obtained in July 2014.

Based on our internal records, details of the project as of July 31, 2020 were as follows:

Actual Commencement Date	June 2013
Actual Pre-sale Commencement Date	March 2014
Actual Completion Date	April 2018
Total GFA completed (sq.m.)	490,501
GFA available for sale (sq.m.)	4,506
Rentable GFA (sq.m.)	1,336
Rentable GFA held for property investment (sq.m.)	72,854
Percentage of total saleable GFA sold	99%
Development costs incurred	RMB2,305.6 million
Estimated future development cost	RMB0.4 million
Effective equity interest to our Group	96.0%

See Property No. 82 of the Property Valuation Report in Appendix III to this Prospectus.

(32) ***Chongqing Jinhui City Phase V (重慶金輝城五期二標)***

Chongqing Jinhui City Phase V is a commercial property project located in Chongqing municipality. The project occupies an aggregate site area of 9,932 sq.m. and consists of office buildings, commercial properties and carparks. Chongqing Jinhui City Phase V is developed by Chongqing Jinhui Changjiang Real Estate Co., Ltd. (重慶金輝長江房地產有限公司). We entered into the relevant land grant contract and fully paid the total land premium of RMB13.2 million. The relevant land use right certificate was obtained in November 2017.

Based on our internal records, details of the project as of July 31, 2020 were as follows:

Construction period	
— Estimated commencement date	December 2020
— Estimated pre-sale commencement date	March 2021
— Estimated completion date	May 2023
Total estimated GFA for future development (sq.m.)	71,235
Development costs incurred	RMB105.7 million
Estimated future development cost	RMB511.4 million
Effective equity interest to our Group	96.0%

See Property No. 83 of the Property Valuation Report in Appendix III to this Prospectus.

Wuhan

(33) ***Wuhan Jinhui City (武漢金輝城)***

Wuhan Jinhui City is a residential property project located in Hubei Province. The project occupies an aggregate site area of 188,736 sq.m. and consists of residential properties, commercial properties and carparks. Wuhan Jinhui City is developed by Xiaogan Quanzhou Hongbo Real Estate Co., Ltd. (孝感全洲鴻博置業有限公司). We acquired 100% of equity interest of Xiaogan Quanzhou Hongbo Real Estate Co., Ltd. in August 2018 with an aggregate consideration of RMB567.2 million. As of July 31, 2020, the consideration of RMB439.7 million had been paid. The relevant land use right certificate was obtained in July 2018.

Based on our internal records, details of the project as of July 31, 2020 were as follows:

Construction period	
— Actual commencement date	January 2019
— Actual pre-sale commencement date	February 2019
— Estimated completion date	November 2026
Total planned GFA under development (sq.m.)	200,852
Saleable GFA (sq.m.)	176,761
GFA pre-sold (sq.m.)	56,712
Percentage of total saleable GFA pre-sold	32%
Total estimated GFA for future development	493,265
Development costs incurred	RMB898.8 million
Estimated future development cost	RMB1,853.5 million
Effective equity interest to our Group	96.0%

See Property No. 88 of the Property Valuation Report in Appendix III to this Prospectus.

(34) ***Wuhan Jiangyue Elite's Mansion (武漢江樾雲著)***

Wuhan Jiangyue Elite's Mansion is a residential property project located in Wuhan, Hubei Province. The project occupies an aggregate site area of 128,280 sq.m. and consists of residential properties, commercial properties and carparks. Wuhan Jiangyue Elite's Mansion is developed by Wuhan Sanjianghui Logistics Investment Co., Ltd. (武漢三江匯物流投資有限公司), or Wuhan Sanjianghui. We acquired 40% of equity interest of Wuhan Sanjianghui in March 2019 with an aggregate consideration of RMB1,213.5 million. As of July 31, 2020, the consideration had been fully paid. The relevant land use right certificate was obtained in January 2019.

Based on our internal records, details of the project as of July 31, 2020 were as follows:

Construction period	
— Actual commencement date	April 2019
— Actual pre-sale commencement date	June 2019
— Estimated completion date	December 2023
Total planned GFA under development (sq.m.)	324,119
Saleable GFA (sq.m.)	302,479
GFA pre-sold (sq.m.)	114,020
Percentage of total saleable GFA pre-sold	38%
Total estimated GFA for future development	326,677
Development costs incurred	RMB4,826.4 million
Estimated future development cost	RMB1,476.1 million
Effective equity interest to our Group	38.4%

See Property No. 89 of the Property Valuation Report in Appendix III to this Prospectus.

(35) ***Wuhan New Block Lakeside (武漢優步湖畔)***

Wuhan New Block Lakeside is a residential property project located in Wuhan, Hubei Province. The project occupies an aggregate site area of 69,985 sq.m. and consists of residential properties, commercial properties and carparks. Wuhan New Block Lakeside is developed by Wuhan Jinhui Rongyu Real Estate Development Co., Ltd. (武漢金輝融宇房地產開發有限公司). We entered into the relevant land grant contract and fully paid the total land premium of RMB945.8 million. The relevant land use right certificate was obtained in March 2018.

Based on our internal records, details of the project as of July 31, 2020 were as follows:

Construction period	
— Actual commencement date	June 2018
— Actual pre-sale commencement date	June 2018
— Estimated completion date	September 2020
Total GFA completed (sq.m.)	103,575
GFA available for sale (sq.m.)	102,998
Total planned GFA under development (sq.m.)	135,543
Saleable GFA (sq.m.)	119,178
GFA pre-sold (sq.m.)	54,067
Percentage of total saleable GFA pre-sold	45%
Development costs incurred	RMB1,710.9 million
Estimated future development cost	RMB62.4 million
Effective equity interest to our Group	96.0%

See Property No. 91 of the Property Valuation Report in Appendix III to this Prospectus.

Changsha

(36) ***Changsha Hongtao Jade Bay (長沙鴻濤翡翠灣)***

Changsha Hongtao Jade Bay is a residential property project located in Changsha, Hunan Province. The project comprises two phases. The project occupies an aggregate site area of 60,145 sq.m. and consists of residential properties, commercial properties and carparks. These two phases of this project are both developed by Changsha Hongtao Real Estate Development Co., Ltd. (長沙鴻濤房地產開發有限公司). We acquired 100% of equity interest of Changsha Hongtao Real Estate Development Co., Ltd. in July 2017 with an aggregate consideration of RMB62.4 million. As of July 31, 2020, the consideration had been fully paid. The relevant land use right certificate was obtained in January 2019.

For details of each phase of this project as of July 31, 2020, see below:

	Status	Total GFA completed (sq.m.)	GFA available for sale (sq.m.)	Percentage of total saleable GFA sold	Total planned GFA under development (sq.m.)	Saleable GFA (sq.m.)	GFA pre-sold (sq.m.)	Percentage of total saleable GFA pre-sold	Actual Commencement Date	Actual Pre-sale Commencement Date	Actual/ Estimated Completion Date
Phase I	Completed	49,590	4,625	88%	—	—	—	—	July 2015	June 2016	July 2018
Phase II	Under development	—	—	—	123,932	117,374	73,157	62%	June 2019	August 2019	May 2022
		49,590	4,625		123,932	117,374	73,157				

Based on our internal records, details of the project as of July 31, 2020 were as follows:

Development costs incurred	RMB960.2 million
Estimated future development cost	RMB189.1 million
Effective equity interest to our Group	96.0%

See Property No. 93 of the Property Valuation Report in Appendix III to this Prospectus.

(37) ***Changsha Jinhui Weichu Garden (長沙金輝惟楚花園)***

Changsha Jinhui Weichu Garden is a residential project located in Changsha, Hunan Province. The project occupies an aggregate site area of 60,331 sq.m. and consists of residential properties, commercial properties and carparks. Changsha Jinhui Weichu Garden is developed by Hunan Jindafa Real Estate Co. Ltd. (湖南錦達發房地產有限公司). We acquired 100% of equity interest of Hunan Jindafa Real Estate Co. Ltd. in July 2017 with an aggregate consideration of RMB324.7 million. As of July 31, 2020, the consideration of RMB254.7 million had been paid. The first land use right certificate was obtained in May 2017 and the second land use right certificate was obtained in December 2018.

Based on our internal records, details of the project as of July 31, 2020 were as follows:

Construction period	
— Actual commencement date	April 2018
— Actual pre-sale commencement date	June 2018
— Estimated completion date	December 2021
Total GFA completed (sq.m.)	26,145
GFA available for sale (sq.m.)	5,643
Percentage of total saleable GFA sold	78%
Total planned GFA under development (sq.m.)	207,080
Saleable GFA (sq.m.)	197,255
GFA pre-sold (sq.m.)	130,279
Percentage of total saleable GFA pre-sold	66%
Development costs incurred	RMB1,518.6 million
Estimated future development cost	RMB158.7 million
Effective equity interest to our Group	96.0%

See Property No. 96 of the Property Valuation Report in Appendix III to this Prospectus.

Hefei

(38) ***Hefei New Block Academy (合肥優步學府)***

Hefei New Block Academy is a residential property project located in Hefei, Anhui Province. The project occupies an aggregate site area of 100,289 sq.m. and consists of residential properties, commercial properties and carparks. Hefei New Block Academy is developed by Anhui Wanhui Real Estate Co., Ltd. (安徽皖輝置業有限公司). We entered into the relevant land grant contract and fully paid the total land premium of RMB1,370.1 million. The relevant land use right certificate was obtained in September 2018.

Based on our internal records, details of the project as of July 31, 2020 were as follows:

Construction period	
— Actual commencement date	December 2018
— Actual pre-sale commencement date	December 2018
— Estimated completion date	November 2021
Total planned GFA under development (sq.m.)	271,047
Saleable GFA (sq.m.)	249,420
GFA pre-sold (sq.m.)	162,288
Percentage of total saleable GFA pre-sold	65%
Development costs incurred	RMB1,864.3 million
Estimated future development cost	RMB276.2 million
Effective equity interest to our Group	67.2%

See Property No. 98 of the Property Valuation Report in Appendix III to this Prospectus.

(39) ***Hefei Xizi Garden (合肥西子花園)***

Hefei Xizi Garden is a residential property project located in Hefei, Anhui Province. The project occupies an aggregate site area of 104,760 sq.m. and consists of residential properties and carparks. Hefei Xizi Garden is developed by Hefei Shengzhuo Real Estate Development Co. Ltd. (合肥盛卓房地產開發有限公司). We entered into the relevant land grant contract and fully paid the total land premium of RMB1,380.0 million. The relevant land use right certificate was obtained in May 2017.

Based on our internal records, details of the project as of July 31, 2020 were as follows:

Construction period	
— Actual commencement date	July 2017
— Actual pre-sale commencement date	August 2017
— Estimated completion date	December 2020
Total GFA completed (sq.m.)	258,187
GFA available for sale (sq.m.)	22,947
Percentage of total saleable GFA sold	91%
Total planned GFA under development (sq.m.)	33,302
Saleable GFA (sq.m.)	11,721
GFA pre-sold (sq.m.)	2,211
Percentage of total saleable GFA pre-sold	19%
Development costs incurred	RMB2,172.8 million
Estimated future development cost	RMB0.5 million
Effective equity interest to our Group	22.1%

See Property No. 102 of the Property Valuation Report in Appendix III to this Prospectus.

Xi'an

(40) ***Xi'an Jinghe Town (西安涇河小鎮)***

Xi'an Jinghe Town is a residential property project located in Xi'an, Shaanxi Province. The project occupies an aggregate site area of 697,823 sq.m. and consists of residential properties, commercial properties and carparks. Xi'an Jinghe Town is developed by Shaanxi Fenghong Real Estate Development Co., Ltd. (陝西楓泓房地產開發有限公司), or Shaanxi Fenghong. We acquired 100% of equity interest of Shaanxi Fenghong in February 2018 with an aggregate consideration of RMB1,303.1 million. As of July 31, 2020, the consideration had been fully paid. The relevant land use right certificate was obtained in January 2011.

Based on our internal records, details of the project as of July 31, 2020 were as follows:

Construction period	
— Actual commencement date	May 2011
— Actual pre-sale commencement date	October 2013
— Estimated completion date	October 2028
Total planned GFA under development (sq.m.)	826,559
Saleable GFA (sq.m.)	820,205
GFA pre-sold (sq.m.)	183,277
Percentage of total saleable GFA pre-sold	22%
Total estimated GFA for future development (sq.m.)	1,730,718
Development costs incurred	RMB3,374.5 million
Estimated future development cost	RMB7,862.3 million
Effective equity interest to our Group	96.0%

See Property No. 103 of the Property Valuation Report in Appendix III to this Prospectus.

(41) ***Xi'an Academy Mansion (西安崇文府)***

Xi'an Academy Mansion is a residential property project located in Xi'an, Shaanxi Province. The project occupies an aggregate site area of 46,649 sq.m. and consists of residential properties, commercial properties and carparks. Xi'an Academy Mansion is developed by Xixian New District Huisheng Rongyu Real Estate Development Co., Ltd. (西咸新區輝盛融宇房地產開發有限公司). We entered into the relevant land grant contract and fully paid the total land premium of RMB253.0 million. The relevant land use right certificate was obtained in October 2018.

Based on our internal records, details of the project as of July 31, 2020 were as follows:

Construction period	
— Actual commencement date	January 2019
— Actual pre-sale commencement date	April 2019
— Estimated completion date	May 2021
Total planned GFA under development (sq.m.)	116,239
Saleable GFA (sq.m.)	101,005
GFA pre-sold (sq.m.)	40,703
Percentage of total saleable GFA pre-sold	40%
Development costs incurred	RMB472.2 million
Estimated future development cost	RMB251.6 million
Effective equity interest to our Group	96.0%

See Property No. 104 of the Property Valuation Report in Appendix III to this Prospectus.

(42) ***Xi'an Jinhui World City Upper East Side (西安金輝世界城上東區)***

Xi'an Jinhui World City Upper East Side is a residential property project located in Xi'an, Shaanxi Province. The project comprises two phases. The project occupies an aggregate site area of 66,537 sq.m. and consists of residential properties, commercial properties, carparks and kindergartens. These two phases of this project are both developed by Xi'an Jinhui Xingye Real Estate Development Co., Ltd. (西安金輝興業房地產開發有限公司). We entered into the relevant land grant contracts and fully paid the total land premium of RMB364.0 million. Both relevant land use right certificates were obtained in November 2014.

For details of each phase of this project as of July 31, 2020, see below:

	Status	Total GFA completed (sq.m.)	GFA available for sale (sq.m.)	Percentage of total saleable GFA sold	Actual Commencement Date	Actual Pre-sale Commencement Date	Actual Completion Date
Phase I	Completed	152,338	34,663	77%	April 2015	August 2015	December 2018
Phase II	Completed	112,510	216	100%	June 2017	August 2017	May 2020
		264,848	34,879				

Based on our internal records, details of the project as of July 31, 2020 were as follows:

Development costs incurred	RMB1,563.0 million
Effective equity interest to our Group	96.0%

See Property No. 106 of the Property Valuation Report in Appendix III to this Prospectus.

(43) ***Xi'an Jinhui East King's Garden (西安金輝東方銘著)***

Xi'an Jinhui East King's Garden is a residential property project located in Xi'an, Shaanxi Province. The project occupies an aggregate site area of 127,015 sq.m. and consists of residential properties, commercial properties, carparks and a hotel. Xi'an Jinhui East King's Garden is developed by Xi'an Huiyao Real Estate Development Co., Ltd. (西安輝耀房地產開發有限公司). We entered into the relevant land grant contract and fully paid the total land premium of RMB1,222.1 million. Both relevant land use right certificates were obtained in March 2019.

Based on our internal records, details of the project as of July 31, 2020 were as follows:

Construction period	
— Actual commencement date	August 2019
— Actual pre-sale commencement date	November 2019
— Estimated completion date	November 2022
Total planned GFA under development (sq.m.)	471,918
Saleable GFA (sq.m.)	366,249
GFA pre-sold (sq.m.)	157,307
Percentage of total saleable GFA pre-sold	43%
Development costs incurred	RMB2,297.4 million
Estimated future development cost	RMB2,228.1 million
Effective equity interest to our Group	96.0%

See Property No. 110 of the Property Valuation Report in Appendix III to this Prospectus.

(44) *Xi'an Jinhui World City (西安金輝世界城)*

Xi'an Jinhui World City is a residential property project located in Xi'an, Shaanxi Province. The project comprises eight phases. The project occupies an aggregate site area of 451,495 sq.m. and consists of residential properties, commercial properties, carparks, primary schools and kindergartens. These eight phases are all developed by Xi'an Qujiang Yuanshan Real Estate Co., Ltd. (西安曲江原山置業有限公司). We acquired 100% of equity interest of Xi'an Qujiang Yuanshan Real Estate Co., Ltd. from August 2013 to February 2016 with an aggregate consideration of RMB2,054.7 million. As of July 31, 2020, the consideration had been fully paid. The first land use right certificate was obtained in September 2013 and the last land use right certificate was obtained in February 2018.

For details of each phase of this project as of July 31, 2020, see below:

	Status	Total GFA completed (sq.m.)	GFA available for sale (sq.m.)	Rentable GFA held for property investment (sq.m.)	Percentage of total saleable GFA sold	Total planned GFA under development (sq.m.)	Saleable GFA (sq.m.)	GFA pre-sold (sq.m.)	Percentage of total saleable GFA pre-sold	Actual Commencement Date	Actual Pre-sale Commencement Date	Actual/Estimated Completion Date
Phase A1-2	Completed	257,569	31,844	—	87%	—	—	—	—	December 2013	December 2013	December 2016
Phase A3	Completed	214,135	38,828	—	81%	—	—	—	—	April 2015	September 2016	September 2019
Phase B1-2	Completed	137,249	25,161	—	80%	—	—	—	—	December 2013	January 2014	March 2016
Phase B3	Under development	—	—	—	—	117,070	100,524	91,030	91%	February 2019	June 2019	December 2020
Phase C1	Completed	197,471	12,585	—	93%	—	—	—	—	August 2014	September 2014	December 2019
Phase C2	Under development	—	—	—	—	193,366	183,273	140,727	77%	March 2018	March 2018	December 2020
Block D	Under development	23,797	1,431	—	81%	344,454	299,896	269,956	90%	September 2016	September 2017	December 2021
Block G	Under development	15,074	—	15,074	—	74,953	73,420	29,754	41%	December 2016	November 2018	April 2021
		845,295	109,849	15,074		729,843	657,113	531,467				

Based on our internal records, details of the project as of July 31, 2020 were as follows:

Development costs incurred	RMB10,370.0 million
Estimated future development cost	RMB2,393.7 million
Effective equity interest to our Group	96.0%

See Property No. 111 of the Property Valuation Report in Appendix III to this Prospectus.

(45) ***Xi'an Jinhui World City Block I/J (西安金輝世界城I/J地塊)***

Xi'an Jinhui World City Block I/J is a residential property project located in Xi'an, Shaanxi Province. The project occupies an aggregate site area of 115,320 sq.m. and consists of residential properties, commercial properties and carparks. Xi'an Jinhui World City Block I/J is developed by Xi'an Qujiang Hechuang Real Estate Development Co., Ltd. (西安曲江合創房地產開發有限公司). We entered into the relevant land grant contracts and fully paid the total land premium of RMB1,334.3 million. The first land use right certificate was obtained in October 2015 and the second land use right certificate was obtained in November 2016.

Based on our internal records, details of the project as of July 31, 2020 were as follows:

Construction period	
— Actual commencement date	August 2017
— Actual pre-sale commencement date	December 2018
— Estimated completion date	December 2028
Total planned GFA under development (sq.m.)	312,711
Saleable GFA (sq.m.)	295,245
GFA pre-sold (sq.m.)	145,831
Percentage of total saleable GFA pre-sold	49%
Development costs incurred	RMB1,978.6 million
Estimated future development cost	RMB3,832.0 million
Effective equity interest to our Group	96.0%

See Property No. 112 of the Property Valuation Report in Appendix III to this Prospectus.

(46) ***Xi'an Jinhui Global Plaza (西安金輝環球廣場)***

Xi'an Jinhui Global Plaza is a commercial property project located in Xi'an, Shaanxi Province. The project comprises two phases and occupies an aggregate site area of 46,649 sq.m. and consists of office buildings, commercial properties and carparks. The two phases of this project are both developed by Xi'an Bolang Real Estate Co., Ltd. (西安博朗房地產開發有限公司). We entered into the relevant land grant contract and fully paid the total land premium of RMB515.2 million. The first relevant land use right certificate was obtained in December 2013 and the last relevant land use right certificate was obtained in October 2014.

For details of each phase of this project as of July 31, 2020, see below:

	Status	Total GFA completed (sq.m.)	GFA available for sale (sq.m.)	Rentable GFA held for property investment (sq.m.)	Percentage of total saleable GFA sold	Actual Commencement Date	Actual Pre-sale Commencement Date	Actual Completion Date
Phase I	Completed	92,939	36,950	27,905	41%	December 2014	December 2014	February 2017
Phase II	Completed	241,921	2,646	124,336	97%	June 2016	February 2018	April 2020
		334,860	39,596	152,241				

Based on our internal records, details of the project as of July 31, 2020 were as follows:

Development costs incurred	RMB2,240.9 million
Estimated future development cost	RMB194.1 million
Effective equity interest to our Group	96.0%

See Property No. 113 of the Property Valuation Report in Appendix III to this Prospectus.

Zhengzhou

(47) ***Zhengzhou New Block Garden (鄭州金輝優步花園)***

Zhengzhou New Block Garden is a residential property project located in Zhengzhou, Henan Province. The project occupies an aggregate site area of 48,549 sq.m. and consists of residential properties and carparks. Zhengzhou New Block Garden is developed by Zhengzhou Jinhui Hechuang Real Estate Development Co., Ltd. (鄭州金輝合創房地產開發有限公司). We entered into the relevant land grant contract and fully paid the total land premium of RMB633.3 million. The relevant land use right certificate was obtained in March 2019.

Based on our internal records, details of the project as of July 31, 2020 were as follows:

Construction period	
— Actual commencement date	June 2019
— Actual pre-sale commencement date	August 2019
— Estimated completion date	February 2023
Total planned GFA under development (sq.m.)	167,249
Saleable GFA (sq.m.)	157,427
GFA pre-sold (sq.m.)	42,543
Percentage of total saleable GFA pre-sold	27%
Development costs incurred	RMB836.9 million
Estimated future development cost	RMB595.0 million
Effective equity interest to our Group	96.0%

See Property No. 117 of the Property Valuation Report in Appendix III to this Prospectus.

Key Projects Developed by Our Joint Ventures and Associates

Description of certain of the key projects developed by our joint ventures and associates is set out below.

Hangzhou

(1) ***Hangzhou Huiyi Elite's Mansion (杭州輝逸雲著)***

Hangzhou Huiyi Elite's Mansion is a residential property project located in Hangzhou, Zhejiang Province. The project occupies an aggregate site area of 59,668 sq.m. and consists of residential properties and carparks. Hangzhou Huiyi Elite's Mansion is developed by Hangzhou Qihui Real Estate Co., Ltd. (杭州啓輝置業有限公司), or Hangzhou Qihui. As of July 31, 2020, the total land premium of RMB1,929.7 million had been fully paid. The relevant land use right certificate was obtained in January 2018.

Based on our internal records, details of the project as of July 31, 2020 were as follows:

Construction period	
— Actual commencement date	March 2018
— Actual pre-sale commencement date	December 2018
— Actual completion date	June 2020
Total GFA completed (sq.m.)	193,603
GFA available for sale (sq.m.)	155,526
Rentable GFA (sq.m.)	31,232
Percentage of total saleable GFA sold	—
Development costs incurred	RMB2,506.5 million
Estimated future development cost	RMB183.9 million
Effective equity interest to our Group	47.0%

Nanjing

(2) ***Nanjing King's Garden Yayuan (南京銘著雅苑)***

Nanjing King's Garden Yayuan is a residential property project located in Nanjing, Jiangsu Province. The project occupies an aggregate site area of 28,257 sq.m. and consists of residential properties, commercial properties and carparks. Nanjing King's Garden Yayuan is developed by Nanjing Qianjing Real Estate Development Co., Ltd. (南京乾景房地產開發有限公司), or Nanjing Qianjing. As of July 31, 2020, the total land premium of RMB1,010.0 million had been fully paid. The relevant land use right certificate was obtained in April 2016.

Based on our internal records, details of the project as of July 31, 2020 were as follows:

Construction period	
— Actual commencement date	October 2016
— Actual pre-sale commencement date	November 2016
— Actual completion date	April 2019
Total GFA completed (sq.m.)	88,552
GFA available for sale (sq.m.)	3,640
Percentage of total saleable GFA sold	95%
Development costs incurred	RMB1,395.9 million
Estimated future development cost	RMB58.8 million
Effective equity interest to our Group	57.6%

Suzhou

(3) ***Suzhou Jiangnan Elite's Mansion Garden (蘇州江南澐著花園)***

Suzhou Jiangnan Elite's Mansion Garden is a residential property project located in Suzhou, Jiangsu Province. The project comprises three phases and occupies an aggregate site area of 62,582 sq.m. and consists of residential properties, commercial properties, carparks and office. The three phases of this project are all developed by Suzhou Zhengrun Real Estate Development Co., Ltd (蘇州正潤房地產開發有限公司), or Suzhou Zhengrun. As of July 31, 2020, the total land premium of RMB2,397.7 million had been fully paid. The relevant land use right certificates were obtained in June 2017.

For details of each phase of this project as of July 31, 2020, see below:

	Status	Total GFA completed (sq.m.)	GFA available for sale (sq.m.)	Percentage of total saleable GFA sold	Total planned GFA under development (sq.m.)	Saleable GFA (sq.m.)	GFA pre-sold (sq.m.)	Percentage of total saleable GFA pre-sold	Actual Commencement Date	Actual/ Estimated Pre-sale Commencement Date	Estimated Completion Date
Phase I	Completed and Under development	45,784	43,349	—	32,015	22,913	10,622	46%	October 2017	December 2019	August 2020
Phase II	Under development	—	—	—	94,636	86,900	9,162	11%	September 2017	May 2020	December 2021
Phase III	Under development	—	—	—	53,459	42,179	—	—	April 2018	February 2022	March 2022
		45,784	43,349		180,110	151,992	19,784				

Based on our internal records, details of the project as of July 31, 2020 were as follows:

Development costs incurred	RMB3,299.8 million
Estimated future development cost	RMB492.1 million
Effective equity interest to our Group	47.0%

(4) ***Suzhou Runyuan King's Garden (蘇州潤元名著花園)***

Suzhou Runyuan King's Garden is a residential property project located in Suzhou, Jiangsu Province. The project occupies an aggregate site area of 80,669 sq.m. and consists of residential properties and carparks. Suzhou Runyuan King's Garden is developed by Suzhou Huiyao Hongyang Real Estate Co., Ltd. (蘇州輝耀弘陽置業有限公司), or Suzhou Huiyao. As of July 31, 2020, the total land premium of RMB2,874.7 million had been fully paid. The relevant land use right certificate was obtained in May 2016.

Based on our internal records, details of the project as of July 31, 2020 were as follows:

Construction period	
— Actual commencement date	September 2016
— Actual pre-sale commencement date	May 2017
— Actual completion date	September 2019
Total GFA completed (sq.m.)	196,708
GFA available for sale (sq.m.)	49,448
Rentable GFA (sq.m.)	13,795
Percentage of total saleable GFA sold	72%
Rentable GFA held for property investment (sq.m.)	—
Development costs incurred	RMB3,769.8 million
Effective equity interest to our Group	49.0%

Lianyungang

(5) ***Lianyungang New Block Academy (連雲港優步學府)***

Lianyungang New Block Academy is a residential property project located in Lianyungang, Jiangsu Province. The project occupies an aggregate site area of 51,452 sq.m. and consists of residential properties and carparks. Lianyungang New Block Academy is developed by Lianyungang Jinhui Real Estate Co., Ltd. (連雲港金輝置業有限公司), or Lianyungang Jinhui. As of July 31, 2020, the total land premium of RMB560.0 million had been fully paid. The relevant land use right certificate was obtained in January 2018.

Based on our internal records, details of the project as of July 31, 2020 were as follows:

Construction period	
— Actual commencement date	February 2018
— Actual pre-sale commencement date	May 2018
— Estimated completion date	October 2020
Total planned GFA under development (sq.m.)	143,174
Saleable GFA (sq.m.)	135,295
GFA pre-sold (sq.m.)	90,804
Percentage of total saleable GFA pre-sold	67%
Development costs incurred	RMB889.4 million
Estimated future development cost	RMB178.8 million
Effective equity interest to our Group	49.0%

Fuzhou

(6) ***Fuzhou Jinhui Longyue Garden District 1 (福州金輝瓏岳花園一區)***

Fuzhou Jinhui Longyue Garden District 1 is a residential property project located in Fuzhou, Fujian Province. The project occupies an aggregate site area of 86,558 sq.m. and consists of residential properties and carparks. Fuzhou Jinhui Longyue Garden District 1 is developed by Fuzhou Jinhui Rongxin Real Estate Co., Ltd. (福州金輝融欣房地產有限公司), or Fuzhou Jinhui Rongxin. As of July 31, 2020, the total land premium of RMB4,151.5 million had been fully paid. The relevant land use right certificate was obtained in March 2017.

Based on our internal records, details of the project as of July 31, 2020 were as follows:

Construction period	
— Actual commencement date	October 2018
— Actual pre-sale commencement date	November 2019
— Estimated completion date	October 2022
Total planned GFA under development (sq.m.)	317,908
Saleable GFA (sq.m.)	302,590
GFA pre-sold (sq.m.)	112,803
Percentage of total saleable GFA pre-sold	37%
Development costs incurred	RMB5,152.2 million
Estimated future development cost	RMB922.6 million
Effective equity interest to our Group	57.6%

(7) ***Fuzhou Jinhui Longyue Garden District 2 (福州金輝瓏岳花園二區)***

Fuzhou Jinhui Longyue Garden District 2 is a residential property project located in Fuzhou, Fujian Province. The project occupies an aggregate site area of 19,163 sq.m. and consists of residential properties, commercial properties and carparks. Fuzhou Jinhui Longyue Garden District 2 is developed by Fuzhou Rongfeng Real Estate Co., Ltd. (福州融豐房地產有限公司), or Fuzhou Rongfeng. As of July 31, 2020, the total land premium of RMB773.8 million had been fully paid. The relevant land use right certificate was obtained in February 2017.

Based on our internal records, details of the project as of July 31, 2020 were as follows:

Construction period	
— Actual commencement date	October 2017
— Actual pre-sale commencement date	June 2018
— Actual completion date	August 2019
Total GFA completed (sq.m.)	46,763
GFA available for sale (sq.m.)	32,341
Percentage of total saleable GFA sold	27%
Development costs incurred	RMB1,009.4 million
Effective equity interest to our Group	57.6%

Fuqing

(8) ***Fuqing Bright Binjiang (福清璀璨濱江)***

Fuqing Bright Binjiang is a residential property project located in Fuqing, Fujian Province. The project occupies an aggregate site area of 99,992 sq.m. and consists of residential properties, commercial properties and carparks. Fuqing Bright Binjiang is developed by Fuqing Maohui Real Estate Co., Ltd. (福清茂輝置業有限公司), or Fuqing Maohui. As of July 31, 2020, the total land premium of RMB1,202.0 million had been fully paid. The relevant land use right certificate was obtained in July 2018.

Based on our internal records, details of the project as of July 31, 2020 were as follows:

Construction period	
— Actual commencement date	September 2018
— Actual pre-sale commencement date	December 2018
— Estimated completion date	March 2021
Total planned GFA under development (sq.m.)	396,205
Saleable GFA (sq.m.)	364,476
GFA pre-sold (sq.m.)	324,568
Percentage of total saleable GFA pre-sold	89%
Development costs incurred	RMB1,722.0 million
Estimated future development cost	RMB632.5 million
Effective equity interest to our Group	47.0%

(9) ***Fuqing City Plaza (福清城市廣場)***

Fuqing City Plaza is a residential property project located in Fuqing, Fujian Province. The project occupies an aggregate site area of 75,854 sq.m. and consists of residential properties, commercial properties, carparks and a hotel. Fuqing City Plaza is developed by Fuqing Jinhui Real Estate Co., Ltd. (福清金輝置業有限公司), or Fuqing Jinhui. As of July 31, 2020, the total land premium of RMB750.0 million had been fully paid. The relevant land use right certificate was obtained in June 2017.

Based on our internal records, details of the project as of July 31, 2020 were as follows:

Construction period	
— Actual commencement date	April 2017
— Actual pre-sale commencement date	September 2017
— Estimated completion date	January 2021
Total GFA completed (sq.m.)	155,145
GFA available for sale (sq.m.)	5,194
Percentage of total saleable GFA sold	96%
Total planned GFA under development (sq.m.)	169,066
Saleable GFA (sq.m.)	82,571
GFA pre-sold (sq.m.)	66,579
Percentage of total saleable GFA pre-sold	81%
Development costs incurred	RMB1,652.9 million
Estimated future development cost	RMB391.6 million
Effective equity interest to our Group	48.0%

Chongqing

(10) *Chongqing Jinke Jinhui Meiyuan (重慶金科金輝美院)*

Chongqing Jinke Jinhui Meiyuan is a residential property project located in Chongqing municipality. The project occupies an aggregate site area of 177,239 sq.m. and consists of residential properties, commercial properties and carparks. Chongqing Jinke Jinhui Meiyuan is developed by Chongqing Jinjiahe Real Estate Development Co., Ltd. (重慶金佳禾房地產開發有限公司), or Chongqing Jinjiahe. As of July 31, 2020, the total land premium of RMB590.3 million had been fully paid. The relevant land use right certificates were obtained in September 2017.

Based on our internal records, details of the project as of July 31, 2020 were as follows:

Construction period	
— Actual commencement date	September 2017
— Actual pre-sale commencement date	September 2017
— Estimated completion date	January 2021
Total GFA completed (sq.m.)	481,071
GFA available for sale (sq.m.)	225,944
Percentage of total saleable GFA sold	51%
Total planned GFA under development (sq.m.)	98,292
Saleable GFA (sq.m.)	95,370
GFA pre-sold (sq.m.)	95,370
Percentage of total saleable GFA pre-sold	100%
Development costs incurred	RMB1,906.7 million
Estimated future development cost	RMB544.4 million
Effective equity interest to our Group	47.0%

See Property No. 119 of the Property Valuation Report in Appendix III to this Prospectus.

(11) ***Chongqing Jinke Jinhui Bocui Mountain (重慶金科金輝博翠山)***

Chongqing Jinke Jinhui Bocui Mountain is a residential property project located in Chongqing municipality. The project occupies an aggregate site area of 188,419 sq.m. and consists of residential properties, commercial properties and carparks. Chongqing Jinke Jinhui Bocui Mountain is developed by Chongqing Jinjiahe. As of July 31, 2020, the total land premium of RMB582.0 million had been fully paid. The relevant land use right certificates were obtained in September 2017.

Based on our internal records, details of the project as of July 31, 2020 were as follows:

Construction period	
— Actual commencement date	September 2017
— Actual pre-sale commencement date	November 2017
— Estimated completion date	January 2021
Total GFA completed (sq.m.)	275,550
GFA available for sale (sq.m.)	55,539
Percentage of total saleable GFA sold	79%
Total planned GFA under development (sq.m.)	105,652
Saleable GFA (sq.m.)	102,884
GFA pre-sold (sq.m.)	102,106
Percentage of total saleable GFA pre-sold	99%
Development costs incurred	RMB1,495.8 million
Estimated future development cost	RMB437.7 million
Effective equity interest to our Group	47.0%

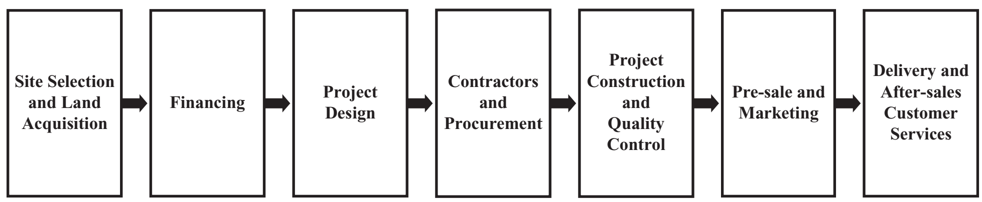
See Property No. 120 of the Property Valuation Report in Appendix III to this Prospectus.

OUR PROPERTY DEVELOPMENT MANAGEMENT

Property Development Process

Our success in property development is attributable to our standardized operating procedures, which enable us to plan relevant operations and execute such plans within the required time frame for each development stage after acquiring the land and improve our overall operational efficiency. Through the utilization of our standardized operating procedures, we have been able to complete our property projects within approximately eight months on average from acquiring the relevant land parcel to commencing pre-sales. We formulate the procedures based on our operational experience and needs and modify the procedures on a case-by-case basis. Such procedures set out the guidelines for our employees in managing and developing our property projects, and provide detailed timing and evaluation targets and checklists.

The diagram below summarizes the major stages of our property development process [(1)]:



Note:

(1) The required time for each property development stage may vary among projects depending on the geographical location and the size of the projects. The sequence of specific planning and execution activities may also vary among projects due to the requirement of local laws and regulations.

Site Selection and Land Acquisition

Site Selection

We undergo a careful examination and selection process for our property sites. We focus on suitable locations in selected cities in Yangtze River Delta, the Bohai Economic Rim, Southern China, Southwestern China and Northwestern China. Our market research efforts cover general studies on selected cities where we have operations or plan to expand into, and will include information and analysis on potential customers, customer demands and the availability and estimated cost of suitable land parcels in such cities.

The site selection process is led by our investment and development personnel at city, regional and group levels. The investment and development personnel in city companies collect information of land parcels available and carry out the screening process. After the screening process, they prepare a preliminary project proposal and submit to the respective regional investment and development team. Regional investment and development team reviews the project proposal and updates the project proposal with inputs from other professional teams at regional level. The updated project proposal is then submitted to our strategic investment management center for review. Personnel of our financial management center, cost and procurement management center, design, research and development management center and operation management center also give their inputs at this stage. Thereafter, the further updated project proposal is submitted to our senior management for final review and approval.

We carry out the site selection process in all projects with a strong focus on the growth potential, marketability and profitability. The key factors we consider in assessing whether a site is suitable for development include, but not limited to:

- prospects of the area and relevant cities' economic development and population growth;

- industry policy and development strategies of the central and local governments;
- prospects of financial returns, indicated by factors such as estimated return on investment, internal rate of return, profit margin and payback period for front-end investments and construction costs;
- scale and price of lands in the relevant area;
- number of our existing projects in the relevant area; and
- sufficiency of cash flow from our operations in the relevant area.

Land Acquisition

Our prudent land acquisition strategy, our keen market insight and investment vision into the PRC real estate market and our diversified land acquisition initiatives propel our business expansion and growth. We strive to identify high quality lands with potential in areas that have not yet to experience significant growth in property prices, or in areas that may have experienced pullback in property prices or market slowdowns. During the Track Record Period, we acquired our land through the following methods:

- participation in public tenders, auctions and listings-for-sale organized by the relevant government authorities;
- establishing joint ventures with other property developers and participating in public tenders, auctions and listings-for-sale; and
- acquisition of equity interests in, or land parcels from third parties which possess land parcels;

During the Track Record Period, we primarily acquired land through public tenders, auctions and listings-for-sale from the PRC Government in accordance with relevant PRC laws and regulations. Usually, in a public tender, an evaluation committee (including a representative of the grantor and other experts) evaluates and selects the tenders that have been submitted. In addition to the bidding price, consideration may be given to each bidder's property development experience and track record, credit history, qualifications and development proposals. Public auctions are normally held by local land bureaus, and the land use rights are usually granted to the highest bidders. In a listing-for-sale process, conditions for granting the land use rights are generally specified by the relevant local land bureaus before bids are submitted and the land use rights are granted to the bidder with the highest bid at the end of the listing-for-sale period. See "Regulatory Overview — V. Regulations on Real Estate Transfer and Sale."

In addition, we acquired land through establishing joint ventures with leading third-party property developers and participating in public tenders, auctions and listings-for-sale. Such cooperation helps us expand into new markets where we have limited experience. We believe the sharing of common business concepts and leveraging our respective strengths and experiences in project development can bring mutual benefits to us as well as our partners.

Further, we acquired equity interests in, or land parcels, to a lesser extent, from companies that possess or have the rights to possess land use right for certain land parcels. For example, in 2017, we acquired 100% equity interests of a property development company in Xi'an and obtained land parcels occupying an aggregate site area of 0.6 million sq.m. The acquired land parcels were located in the new district of Xi'an, where the price of land was relatively low but has strong potential of growths, given its convenient transportations and ancillary facilities. This method allows us to obtain targeted land at competitive prices as it allows us to negotiate the terms and conditions directly with the targeted companies or the counter parties. This method also allows us to consolidate our strengths and competitiveness with resources of the target companies.

Leveraging on our prudent land acquisition strategies and diversified land acquisition methods, possess land reserve in regions and cities of strong growth potential with relatively low acquisition costs. We believe our sufficient land bank, together with our diversified land acquisition strategies, provide us with a stable development pipeline and will contribute to our long-term growth.

Financing

We finance our projects primarily through internal cash flows generated from our operating activities, including proceeds from the pre-sales and sales of properties, bank loans, trust financing, corporate bonds, ABS and senior notes.

Internal Financing

We use the proceeds from the pre-sales and sales of our properties to fund our business operation and repay debt obligations. Pre-sale proceeds form an integral source of our operating cash inflows during project development. According to the applicable PRC laws and regulations, there are certain criteria which must be met before we may commence any pre-sales activities for properties under development, and the use of pre-sales proceeds may be restricted by local governments in cities where we operate. See "Regulatory Overview — V. Regulations on Real Estate Transfer and Sale — (ii) Permit of Pre-sales of Commodity House."

External Financing

Bank borrowings are our primary source of external financing. We also issued corporate bonds to meet our operation needs. As of December 31, 2017, 2018 and 2019 and April 30, 2020, our bank borrowings and corporate bonds amounted to RMB14,453.1 million, RMB20,565.9 million, RMB26,503.5 million and RMB29,161.4 million, respectively. See "Financial Information — Indebtedness." Our ability to obtain financing from banks for our projects depends on various economic measures introduced by the central and local governments. According to a guideline issued by the CBRC on August 30, 2004, no bank loans may be granted with respect to projects for which the land use right certificates, construction land planning permits, construction work planning permits or construction work commencement permits have not been obtained. On May 25, 2009, the State Council issued a Notice on Adjusting the Capital Ratios for Fixed Asset Investment Projects (關於調整固定資產投資項目資本金比例的通知), which stipulates a minimum capital requirement of 20% for ordinary commodity apartments and indemnificatory housing and a minimum capital requirement of 30% for other property development projects. On September 9, 2015, the State Council promulgated the Notice on Adjusting and Improving the Capital Fund Principle for Fixed Assets Investment (關於調整和完善固定資產投資項目資本金制度的通知), according to which the minimum capital ratio for other property development projects is adjusted from 30% to 25%. See "Regulatory Overview — VII. Regulations on Real Estate Financing — (ii) Trust Financing."

As with many other property developers in the PRC, we also enter into financing arrangements with trust companies, asset management companies and their financing vehicles, as well as other financial partners in the ordinary course of business to finance our property development and other related operations. As of April 30, 2020, the total amount of our trust financing outstanding was RMB15,235.2 million. See "Financial Information — Indebtedness — Trust and Other Financing Arrangements."

In order to further diversify our financing resources, Radiance Capital Investments, an indirect wholly-owned subsidiary of Radiance Group, issued senior notes in an aggregate amount of US$250.0 million in October 2019, US$300.0 million in January 2020 and US$250.0 million in June 2020, respectively. We may continue to access both the international and domestic capital markets to diversify our financing sources, secure sufficient working capital and to support our business expansion. See "Financial Information — Indebtedness — Trust and Other Financing Arrangements — Other Financing Arrangements."

Project Design

In order to provide our customers with quality designs and to achieve operational efficiency, we outsource the design of all of our property development projects to independent third-party domestic or international architecture and design firms. We have worked closely with leading domestic and international architecture and design firms, such as Mademake Shenzhen Architectural Design and Consultant Co. Ltd (深圳市承構建築諮詢有限公司), Shanghai Lacime Architecture Design Co., Ltd. (上海日清建築設計有限公司), Liang Wong Kou Architectural Design (Shenzhen) Co., Ltd. (梁黃顧建築設計（深圳）有限公司), HMD (Shanghai) Engineering Consultancy Corp. Ltd (漢米敦（上海）工程諮詢股份有限公司) and Beijing Huaju Planning and Design Institute Co., Ltd. (北京華巨規劃設計院有限公司). For high-end or large-scale residential and commercial property projects, we select architecture and design firms through tenders. For other projects, we select architecture and design firms from our database of shortlisted firms. In selecting architecture and design firms, we consider the firms' track record, proposed designs and their past working relationships with us.

Each of our property series targets different customer groups and has distinctive design features. The New Block series features creative and modern design and focuses on the efficient utilization of interior spaces. The Elite's Mansion series features the integration of smart-living facilities and artistic design to provide comfort, convenient and smart-living experience to our customers. The King's Garden series targets high-end customers, and we engage world-renowned architectural design firms to deliver advanced design and quality living experiences. The Metropolitan series features large-scale complexes of residential communities with commercial areas in the vicinity, and we tailor the design of each project of this series according to characteristics of the respective land parcel and the surrounding environment.

Our design, research and development management center supervises and provides the third-party architecture and design firms with directions and design criteria on which we aim to market our property development projects. Our design, research and development management center and the relevant city companies closely monitor the work of the architecture and design firms to ensure that the project designs meet our specifications and relevant governmental regulations.

Contractors and Procurement

Appointment of Construction Contractors

We do not maintain full construction capacity, and we engage qualified independent third-party general construction contractors to carry out construction works for substantially all our property development projects.

During the Track Record Period, one of our subsidiaries held level II general contractor qualification of construction company qualification (建築業企業資質證書（建築工程總承包二級)) and, as a contractor, was responsible for structural constructing works and supervising the construction work of the other contractors for certain phases of certain of our property projects. This subsidiary also engaged other contractors to assemble a full construction team to carry out the construction work. Such construction works include foundation digging and installation of equipment. The general contractors of our property developments are primarily selected through an invite-only tender process, which is managed by our cost and procurement management center. We conduct due diligence procedures on our potential contractors, such as inspecting their credentials and on-site supervision on their offices and property projects, and only those contractors who have passed such due diligence procedures are invited to participate in the tender. In selecting the winning bid, we typically consider the contractors' professional qualifications, technical capabilities, industry reputation, track record and prices tendered. We also engage specialized contractors in specific areas, such as equipment installment, landscaping and glass curtain wall system. Specialized contractors are selected through tender processes and direct engagements. During the Track Record Period, we had engaged and maintained stable business relationships with a number of general construction contractors and specialized contractors.

In 2017, 2018 and 2019 and the four months ended April 30, 2020, we engaged 10, 13, 11 and 3 general construction contractors, respectively. Occasionally, we failed to comply with the relevant rules and regulations, which require property developers to fulfill certain procedures. In 2017, our subsidiary Xi'an Qujiang Yuanshan failed to complete the filing with the relevant government authority with respect to the requisite tender procedure for general contractor selection and was fined RMB100,000 by local government authority as the responsible employee was unfamiliar with the filing procedure with respect to tenders. Xi'an Qujiang Yuanshan completed the filing procedure with the relevant government authority in August 2017 and had fully settled the fine as of the Latest Practicable Date. However, according to the Regulations on the Scope of Infrastructure and Public Utility Projects Subject to Bidding ("必須招標的基礎設施和公用事業項目範圍規定") issued by the NDRC on June 6, 2018, the general contractors for property developments are not within the specific scope which should be selected through a tender process since June 6, 2018. Xi'an Qujiang Yuanshan obtained a confirmation letter issued by the relevant governmental authority, which is the competent authority as advised by our PRC Legal Advisors, confirming that the fine had been fully settled and the administrative penalties in respect of this non-compliance incident was immaterial. Our PRC Legal Advisors are of the view that Xi'an Qujiang Yuanshan would not be subject to any additional monetary or administrative penalties by the relevant authority for such non-compliance incident.

We require our contractors to purchase the relevant insurances covering any labor issues of our contractors or accidents and injuries that may occur during construction. Therefore, we are not responsible for labor issues of our contractors as well as accidents or injuries that may occur during construction, except for the limited situations as disclosed above where our subsidiaries are contractors. See also "— Social, Health, Work Safety and Environmental Matters — Social, Health and Work Safety." However, our strict quality control measures require our contractors to comply with the relevant rules and regulations including environmental, labor, social and safety regulations to minimize our risks and liabilities. During the Track Record Period, we were not involved in any material dispute with our contractors nor were there any case of material personal injury or death involving our contractors that had a material and adverse effect on our business.

Under typical agreements with our contractors, we make payments to contractors in stages according to progress of construction work. The major payment milestones usually include: (i) completion of the construction of underground structures; (ii) completion of the construction of certain floors; (iii) completion of the construction of the overall building structure; (iv) preliminary inspection upon construction completion; and (iv) final inspection and delivery of the properties. The percentage of each stage payment varies from project to project according to the terms stipulated in the relevant contract. We also retain 3% to 5% of the contract amount as quality warranty deposit. See "— Delivery of Properties and After-sales Customer Service — Warranties and Returns."

The agreements with our contractors also set forth our and the contractors' rights and obligations. We have both the right and obligation to supervise and evaluate the work of our contractors. The agreements set forth the performance standards for the construction work and the methods of our inspections and supervisions. We are entitled to seek damages for breach of contract or deduct the service fees if a contractor fails to adhere to our performance standards or unduly delays the construction progress.

During the Track Record Period, none of our suppliers or contractors provided any advances, financing, allowances or rebates to us, and we did not enter into any payment-on-behalf-of arrangements with any supplier or contractor.

Procurement

Our construction contractors are primarily responsible for procuring raw materials, such steel, concrete and sandstone. We also procure certain materials, equipment and fixtures through our centralized procurement system, such as elevators, air conditioners, wall paint, doors, windows, floors, sanitary wares, electrical appliances and lamps.

With respect to construction contracts of substantial value and long duration, we typically engage in discussions with our contractors and adjust construction fees if fluctuations in the market prices of such construction raw materials exceed a certain threshold, and we, as a result, bear most of the risks associated with such commodity price movements. During the Track Record Period, fluctuations in the construction raw materials did not exceed the relevant materiality threshold in the relevant contracts we had with our construction contractors and we therefore did not incur additional costs to compensate our construction contractors. Nonetheless, as we typically pre-sell our properties prior to their completion, we will not be able to pass the increased costs on to our customers if construction costs increase subsequent to the pre-sale. See "Risk Factors — Risks Relating to Our Business — Fluctuations in the price of construction materials and our construction contractors' labor costs could affect our business and financial performance."

Project Construction and Quality Control

We place significant emphasis on quality control in the construction and management of our projects. As of April 30, 2020, we had a team of 545 employees engaged in our stringent quality control. The following are certain important measures or procedures we have adopted in furtherance of this goal:

- we assign each project its own on-site project management team, which comprises qualified engineers led by our project managers to ensure quality and monitor the progress and workmanship of construction on a daily basis;

- our regional project quality control teams inspect each project on a monthly basis. In addition, the project management department at the group-level performs regular quality control inspections and promotes measures and initiatives that have proven to be successful in previous projects;

- we retain qualified independent third-party construction supervision companies to oversee the construction of our projects;

- we compile a set of standardized technical guidelines for construction management of each project, such as inspecting construction materials before construction commences and evaluating sample unit;

- we prepare a set of standardized quality control procedures, such as requiring project technical disclosure before tender, conducting on-site material inspection, reviewing sample product; and

- we carry out quality control in accordance with the relevant laws, regulations, and other compulsory standards promulgated by the relevant PRC governmental authorities and other industry associations.

We are required to develop a property project according to the terms of the land grant contract, including those relating to the designated use of the land and the time for commencement and completion of the property development. During the Track Record Period and up to the Latest Practicable Date, we did not experience any material delays in the commencement of construction of properties which had any material adverse impact on our business, financial condition and results of operations. See "Risk Factors — Risks Relating to Our Business — We may be subject to fines or forfeit land to the PRC Government if we fail to pay land grant premiums or fail to develop properties within the time and in accordance with the terms set out in the relevant land grant contracts." We are also required to commence construction of our projects within the time prescribed by the relevant PRC laws and regulations. Otherwise our lands may be regarded as "idle land" and as a result we may be subject to certain penalties and the idle land might be resumed without any compensation. Under the Measures on Disposing of Idle Land (《閒置土地處置辦法》) promulgated by the Ministry of Land and Resources on April 28, 1999, as amended on June 1, 2012, a land parcel may be defined as idle land under any of the following circumstances: (i) development and construction of the state-owned land is not commenced after one year of the prescribed time limit in the land use right grant contract or allocation decision; or (ii) the development and construction of the state-owned land has been commenced but the area of the development and construction that has been commenced is less than one-third of the total area to be developed and constructed or the invested amount is less than 25% of the total amount of investment, and the development and construction have been continuously suspended for one year or more without an approval. Pursuant to the Law on the Administration of Urban Real Estate (《城市房地產管理法》) promulgated by the SCNPC on July 5, 1994 as amended on August 27, 2009 and August 26, 2019, property developers may be subject to an idle land fee equivalent to or less than 20% of the land grant premium for any failure to commence development or construction after one year from the time stipulated in the relevant land grant contract or allocation decision; and failure to commence development or construction two years after such time may lead to forfeit of the land use rights, except where such failure to commence development or construction is caused by force majeure, governmental activities or any necessary preparatory work.

During the Track Record Period and up to the Latest Practicable Date, we incurred delays in commencement and/or completion of construction for an aggregate of 22 projects. As of the Latest Practicable Date, two of these projects has not yet commenced construction. As of the same date, 13 of these projects have not completed construction. During the Track Record Period and up to the Latest Practicable Date, except for certain delays in construction or development caused by governmental activities, we did not experience any idle land issues, nor had we been subject to any idle land fees or forfeited any land use rights. As of the Latest Practicable Date, we had received confirmation letters from or interviews had been conducted with the relevant competent government authorities for 21 projects that we experienced delays in the commencement or completion of constructions. These confirmation letters or interviews confirmed that there were (i) no idle lands;

(ii) no breach of land grant contracts; or (iii) no material penalties had been imposed. For the project that we experienced delay in construction completion but had not obtained confirmation letter from the relevant competent authority, as confirmed by our PRC Legal Advisors, as this project had already obtained the requisite permits and completed construction as of the Latest Practicable Date, it is unlikely this project will be determined as idle land despite the delay in completion of construction.

Taking into account (i) the confirmation letters received from and the interviews conducted with the relevant government authorities for 21 projects which experienced delays in commencement and/or completion of construction; (ii) the receipt of subsequent requisite permits for its developed properties and the commencement of construction of the outstanding project which experienced delays in commencement and completion of construction, and (iii) during the Track Record Period and up to the Latest Practicable Date, none of our land was deemed as idle land by the relevant government, nor had we been subject to any idle land fees or monetary penalties or forfeited any land use rights for all such delays, our PRC Legal Advisors are of the view that except for certain delays in construction or development caused by governmental activities which will not result in penalties on us or forfeiture of such land in accordance with the relevant PRC laws, we did not hold idle lands during the Track Record Period and up to the Latest Practicable Date, and the possibility that the relevant government authorities would impose a penalty on or seek any liquidated damage from us pursuant to the relevant land grant contracts is low.

Cost Control

We have established a comprehensive cost management system to set the relevant budget for our projects. For each project, the responsible regional company shall prepare a target budget plan, which will be submitted to our cost and procurement management center at headquarters for approval.

We have adopted a full-cycle dynamic cost management system, setting cost targets and preparing cost budget in each key stage of the project. We have also implemented dynamic cost management measures during the development of projects, which enables us to actively monitor actual cost's deviation from the budget. We believe such cost control procedures enable our management to identify and anticipate situations where actual cost may exceed the initially approved budget and to make appropriate adjustment in a timely manner.

Sales and Marketing

Pricing

We determine our per unit sales price with reference to prices of comparable properties in the market, our expected return and features of the respective project, such as location, design, and availability of transportation and ancillary facilities. The sales and marketing teams of our city companies study local market information and formulate pre-marketing, sales and pricing plans and procedures for approval by the marketing management center. In addition, within the given limit of price adjustment in compliance with relevant PRC laws and regulations, we may also adjust the prices of our for-sale properties during the sales process based on market responses we receive.

Sales and Marketing Plan

We primarily sell our properties by our sales and marketing personnel. Our marketing management center is responsible for formulating marketing and sales strategies and managing the overall marketing and sales process.

Precision marketing is our primary marketing strategy. We carefully analyze the preferences of our target customers and design localized marketing campaigns for our property projects based on our market studies. We also adjust our marketing plans based on the market feedback we collect throughout the project development process. With respect to each property project, we design and launch various marketing activities that we believe are best suitable for the respective project.

In addition to traditional marketing channels such as television and billboards, we also organize various on-site marketing campaigns in shopping malls and residential communities. We organize media conferences and new product launch events to promote our new products and introduce our product development process. We also conduct sales and marketing activities through online channels. We carefully analyze our target customers' preferences in entertainment media and distribute our advertisements in websites and we-media programs favored by our target customers. We also operate Jinhui Jin Ke Tong (金輝金客通), our WeChat platform for integrated marketing management, which allows our customers to review introductions to our property projects, online chat with our sales personnel, make appointments for property visits and participate in our promotional activities. It also allows us to collect and manage customer-related information, expand our customer base and adjust our sales and marketing strategies according to our potential purchasers' needs and preferences.

Although we primarily rely on our own sales and marketing personnel, we also work with external property agents to facilitate the sales of certain projects. The number of major external property agents that we engaged in 2017, 2018 and 2019 and the four months ended April 30, 2020 was 39, 31, 25 and 3, respectively. All of such external property agents were Independent Third Parties. As we continue to strengthen our own sales and marketing team, the proportion of contracted sales by external property agents consistently declined during the Track Record Period. Our agreements with external property agents usually include key terms such as the scope of retention, duration of services, and fees and payment method. The agreements usually also require external property agents not to conduct unauthorized contracted sales or sell our properties at prices lower than those agreed by us, and to carry out truthful advertising and comply with all applicable regulatory requirements. In 2017, 2018 and 2019 and the four months ended April 30, 2020, our sales expenses amounted to RMB79.3 million, RMB106.8 million, RMB184.0 million and RMB34.0 million, respectively.

Throughout and subsequent to the project development and pre-sale period, we provide comprehensive assistance to our customers, coordinate internally to address queries raised by, and collect feedback from, our customers and potential customers. Such feedbacks help us to evaluate our products and modify the designs of our future properties in order to address changes in market demand.

Pre-sales

In line with industry practice in the PRC, we normally commence pre-sales of our property development project before completion of the entire project. Our pre-sales typically comprise multiple phases in accordance with our marketing strategies and plans which are drawn up as early as the acquisition of the relevant parcel of land. Relevant PRC laws and regulations require property developers to fulfill certain conditions, including but not limited to payment of the land grant premium and obtaining the relevant land use right certificate, construction work planning permit, construction work commencement permit and pre-sale permit before the commencement of pre-sales. See "Regulatory Overview — V. Regulations on Real Estate Transfer and Sale — (ii) Permit of Pre-sales of Commodity House." We generally schedule the launch of our pre-sale campaigns according to the progress of construction and market conditions.

Our pre-sale contracts are prepared in accordance with applicable PRC laws and regulations. Purchasers are typically required to make a down payment according to the schedule stipulated in the sales contract. The amount of down payments and the circumstances in which default penalties may be incurred are stipulated in relevant pre-sale contracts. In accordance with the requirements of applicable PRC laws and regulations, we register such pre-sale contracts with the relevant local authorities.

During the Track Record Period and up to the Latest Practicable Date, except as disclosed in this Prospectus with respect to commencement of pre-sales before obtaining the pre-sale permit by one subsidiary, all of our subsidiaries commenced pre-sales for the relevant property projects and entered into pre-sales contracts in compliance with the relevant PRC laws and regulations. See "— Legal Proceedings and Compliance — Compliance with Laws and Regulations — Non-compliance Incidents — Inappropriate Advertising, Pricing and Pre-sales." We have also obtained confirmation letters from the competent governmental authorities, confirming that the relevant subsidiaries had complied with the relevant laws and regulations in relation to pre-sales or had not been penalized for violating the relevant laws and regulations in relation to pre-sales.

Cancelled contracted sales are sales transactions cancelled after customers sign pre-sale contracts and make down payments. Such incidents are rare. Our Directors confirm that no cancelled contracted sales had a material adverse effect on our financial condition during the Track Record Period. During the Track Record Period, we had complied with all relevant and applicable PRC laws and regulations governing property pre-sales in the PRC in all material respects.

Pre-sale Proceeds

Under the current PRC laws, the deposit and use of pre-sale proceeds are also restricted. See "Regulatory Overview — V. Regulations on Real Estate Transfer and Sale — (ii) Permit of Pre-sales of Commodity House" and "Risk Factors — Risks Relating to Our Business — We face risks related to the pre-sales of properties from any potential limitations or restrictions imposed by the PRC Government." The main purpose of applicable laws and regulations in relation to the pre-sale proceeds is to ensure sufficient fund will be retained by property developers for the completion of projects.

Applicable Laws and Regulations in Relation to Pre-Sale Proceeds Management at National and Local Levels

The legal regime in relation to the pre-sale proceeds management in the PRC is twofold, including (i) the applicable laws and regulations at the national level which set out the general principles and requirements; and (ii) the applicable regulations at provincial, municipal and other local levels which set out more detailed requirements.

Applicable Laws and Regulations at National Level

Pursuant to the Pre-sale Measures, and the Law on the Administration of Urban Real Estate (《城市房地產管理法》), the pre-sale proceeds of commodity properties shall be used to fund the property development of the relevant projects. In addition, the Notice on Relevant Issues Concerning Strengthening the Supervision and Improvement of Pre-sales of Commodity House (《關於進一步加強房地產市場監管完善商品住房預售制度有關問題的通知》) (the "Pre-sale Notice") promulgated by the MOHURD on April 13, 2010, provides that proceeds from pre-sales of commodity properties shall be deposited into a bank account supervised by the competent regulatory authorities to ensure that the proceeds would be used to fund the development of such property projects. In addition, under the Pre-sale Measures and the Pre-sale Notice, provincial, municipal and other local governments are delegated and granted the authority to formulate, and supervise the implementation of detailed requirements for the management of pre-sale proceeds.

Applicable Regulations at Local Levels

The provincial or municipal governments typically formulate provisional or municipal measures with respect to the supervision of pre-sale proceeds. The city or county governments within such provinces or municipalities, pursuant to provincial or municipal measures, usually formulate their respective detailed implementation measures, which may slightly vary, but have common purpose and requirements with respect to the supervision of pre-sale proceeds and in accordance with the provincial or municipal governments' measures.

(i) generally, all pre-sale proceeds shall be deposited in full into the designated escrow accounts in most cities. In addition, sufficient balance of pre-sale proceeds, which is generally determined by referring to the construction progress, is required to be maintained in a designated escrow account.

(ii) under applicable local regulations of certain cities, such as those in Hangzhou, Hefei and Yangzhou, where we have property projects, pre-sale proceeds received by property developers can be classified into two categories: key escrow funds and general escrow funds. Key escrow funds refer to pre-sale proceeds that are deposited into and maintained in accordance with the applicable regulatory thresholds at the designated escrow accounts. Generally, the amount of key escrow funds is determined with reference to the budgeted construction costs of relevant projects to ensure that a project company has sufficient key escrow funds to mainly settle its construction payments and relevant expenses under the construction and/or supply contracts, such as construction costs, construction material costs, equipment installation costs, costs for the construction of basic and ancillary facilities and tax payments, in order to substantially complete its property projects. General escrow funds refer to surplus proceeds that exceed the amount of key escrow funds.

   (a) a project company can apply for withdrawal of a portion of key escrow funds during the construction stage of a project for purposes permitted under the applicable local regulatory requirements, such as payments for construction costs, construction material costs, equipment installation costs, costs for the construction of basic and ancillary facilities and taxes. The amount of key escrow funds that can be withdrawn is based on the construction progress of the corresponding project and is subject to the application limit of key escrow funds stipulated in the applicable local regulatory requirements.

   (b) general escrow funds can be used in accordance with local regulatory requirements, such as repayment of borrowings, return of prior funding support from shareholders, payments for construction costs, construction material costs, equipment installation costs, costs for the construction of basic and ancillary facilities, tax payments, funding of other operational needs and general working capital, or to be transferred to the general corporate account of a project company and freely used pursuant to applicable local rules and regulatory requirements.

(iii) applicable local regulations of certain cities, such as those in Quanzhou and Shenyang, where we have property projects, do not classify pre-sale proceeds into key escrow funds and general escrow funds. Applicable local regulations in these cities generally require property developers to use pre-sale proceeds pursuant to the local regulations, which may include but not limited to construction costs, construction material costs, equipment installation costs and costs for the construction of basic and ancillary facilities, repayment of borrowings, return of prior funding support from shareholders, tax payments and general working capital, which may vary among different cities.

Payment Arrangement

Our customers may choose to pay the purchase price of our properties by one lump-sum payment or by mortgage financing. Customers choosing to settle the purchase price by one lump-sum payment will be required to fully settle the purchase price shortly after the execution of the sales contract. Customers choosing to settle the purchase price by mortgage financing shall, according to the terms stipulated in the relevant sales contract, normally make a down payment of 30% to 60% of the purchase price upon the execution of the sales contract in accordance with the applicable PRC laws and regulations. Depending on the processing time required by mortgagee banks, the balance of the purchase prices will typically be paid by the mortgagee banks shortly after the date of execution of the sales contracts.

In line with market practice in the PRC, we have arrangements with various banks for the provision of mortgage financing and where required, provide our customers with guarantees as security for mortgage loans. The terms of such guarantees typically last until the transfer of the ownership certificate to the purchaser and the certificate is registered in favor of the bank. As a guarantor, if a purchaser defaults in payment, we are obligated to repay all outstanding amounts owed by the purchaser to the mortgagee bank. We will be entitled to terminate the relevant sales contract, and seek liquidated damages per the contract term, after settling such outstanding balances. In accordance with industry practice, we do not conduct credit checks on our customers but carefully review the results of credit checks conducted by relevant banks.

As of December 31, 2017, 2018 and 2019 and April 30, 2020, our outstanding guarantees in respect of the mortgages for purchasers of our properties amounted to RMB22,497.0 million, RMB20,188.9 million, RMB29,957.6 million and RMB30,371.1 million, respectively. See "Financial Information — Commitments and Contingent Liabilities" and "Risk Factors — Risks Relating to Our Business — We guarantee the mortgage loans provided by financial institutions to our customers and, consequently, we will be liable to the mortgagees if our customers default on their mortgage payments."

Delivery of Properties and After-sales Customer Service

Delivery of Completed Properties

We endeavor to deliver completed properties to our customers on a timely basis in accordance with the terms of the sales contracts. We closely monitor the progress of construction work at our projects under development. If we fail to deliver the completed properties within the stipulated timeframe due to our default, we may be liable to pay a late-delivery compensation to our customers in accordance with the terms of the relevant sales contracts. Under the relevant PRC laws and regulations, we are required to obtain completion certificates before delivering properties to our customers. See "Regulatory Overview — IV. Development of a Real Estate Project — (iv) Inspection Upon Completion of Real Estate Project" for further information. After a property development project has passed the requisite completion and acceptance inspections, we will notify our customers before the delivery date stipulated in the sale contracts, to arrange the delivery procedures. Our customers will then come to our designated locations to conduct the delivery procedure with us. We may also assist our customers to obtain the individual building ownership certificates for our properties. During the Track Record Period, we did not experience any material delays in the delivery of properties which had any material adverse impact on our business, financial condition and results of operations of our Group as a whole.

After-sales Services

We established Radiance Happy Home System ("金輝幸福家"), a full-life cycle after-sales customer service system. Our customer service management department is responsible for providing after-sales customer services under the Radiance Happy Home System. The Radiance Happy Home System covers every stage of our customer services. Before the delivery of properties, we keep our customers informed of the construction progress through Radiance Letters (金輝家書), which are primarily WeChat articles delivered on a quarterly basis. After the delivery of properties, we assist our customers in obtaining property ownership certificates and provide assistance to the move-in process. Additionally, our customers can file maintenance service requests through our WeChat maintenance platform, and can file complaints through our nationwide 24-hour customer service hotline. As part of the Radiance Happy Home System, we host community activities, such as singing competitions, short-video competitions, food festivals, and lectures for environmental protection. In certain community activities, our customers also obtain first-hand information regarding our new property development projects. Our after-sales services are complementary, except for repairs for items whose warranty periods have expired or repairs for damages resulted from inappropriate uses. Such repairs are provided by the relevant property management companies, which may charge a service fee. See "— Warranties and Returns." During the Track Record Period, we were not aware of material customers' complaints or product liability claims. We hire third-party survey companies to conduct our customer satisfaction survey every year in order to better understand the needs of our customers and improve our service quality.

Warranties and Returns

We are generally required to provide our customers with warranties for the quality of building structures pursuant to the Measures on the Sales of Commodity Housing (商品房銷售管理辦法) and Regulations for the Operations of Urban Property Development (城市房地產開發經營管理條例). We also provide quality warranties for ground foundations, main structures, waterproofing, water and electricity work and decorative work, as the case may be. The warranty durations vary depending on the covered items and are usually for a period of about two to five years starting from the property delivery date. The warranty durations for ground foundations and main structures are the relevant reasonable lifespans stated in the design document.

Our contractors are responsible for rectifying quality defects in the properties pursuant to the contracting contracts, whether such defects are discovered pre- or post-completion and delivery. In practice, substantially all of the expenses incurred for handling customer claims were directly paid by our contractors. In addition, we typically retain 3% to 5% of the contract amount of our construction contracts till the end of warranty period, and, should we incur any expense in handling such claims directly if the relevant contractor fails to respond to customer claims in a timely manner, we would be entitled to deduct the costs incurred from the quality warranty deposit we have retained.

Generally, customers may terminate the purchase contracts if there are material delays in the delivery of our properties which exceed the periods stipulated in the relevant purchase contracts. Customers may return the properties to us if there are material quality defects with respect to our properties or material discrepancies in the GFA of our properties delivered as compared to the GFA stipulated in the purchase contracts.

PROPERTY LEASING

Along with our residential property projects, we also develop commercial properties and retain ownership of a portion of our commercial properties for leasing. Our commercial properties mainly include office buildings, shopping malls, commercial blocks and shopping streets, which are usually open-air streets with commercial shops located along side. We hold and operate a portion of our commercial properties as investment properties for capital appreciation and lease them to generate rental income.

As of July 31, 2020, we held 23 completed investment properties of a total GFA of 657,634 sq.m. and one investment property held for future development of a total estimated GFA of 69,530 sq.m. Our investment properties enjoy high occupancy rates. As of December 31, 2017, 2018 and 2019, April 30, 2020 and July 31, 2020, the average occupancy rates of our investment properties was 84.9%, 87.6%, 90.0%, 86.9% and 86.0%, respectively. In 2017, 2018 and 2019 and the four months ended April 30, 2020, our revenue generated from property leasing amounted to RMB125.7 million, RMB279.0 million, RMB352.8 million and RMB120.0 million, respectively.

To maintain the competitiveness and profitability of our investment properties, we strategically select a balanced mix of tenants based on a project's overall positioning and the needs of the surrounding communities. We take into consideration the reputation and general brand recognition of the potential tenants, the industry sectors of such tenants, as well as their track records and past relationships with us. To maintain a high occupancy rate of our investment properties, we have formulated a set of marketing strategies and conducted a variety of marketing activities using internal sources and external sources to promote our investment properties.

Depending on the tenants' relationships with us and the scale, reputation and nature of business of the tenants, we may use the following methods when determining the rental fees: (i) fixed rental fees during a preliminary period with predetermined periodic rental increases in the remaining lease term; or (ii) rental fees calculated based on a predetermined percentage of the monthly retail revenue of a tenant.

The following table sets forth our key investment properties as of July 31, 2020:

	Project	Type of Properties	Location	Total GFA (sq.m.)	Status	Occupancy Rate[1]
1.	Beijing Radiance Plaza (北京金輝大廈)	Office	Beijing	102,975	Completed	94.0%
2.	Chongqing Jinhui Plaza (重慶金輝廣場)	Commercial	Chongqing	120,846	Completed	59.0%[2]
3.	Jinhui City Phase IV (Bronze Road) (金輝城四期三標(銅元道))	Commercial	Chongqing	72,854	Completed	84.0%
4.	Xi'an Jinhui Global Plaza (Mall) (西安金輝環球廣場 (商場))	Shopping mall	Xi'an	124,336	Completed	94.0%
5.	Jinhui Building (International Plaza) (金輝大廈(國際廣場))	Office	Xi'an	48,685	Completed	81.0%
6.	Chuangzhi Building (創智大廈)	Commercial	Xi'an	20,497	Completed	100.0%
7.	Xi'an Jinhui Global Plaza (Block B) (西安金輝環球廣場 (B棟))	Office	Xi'an	27,905	Completed	100.0%
8.	Fuzhou Jinhui Mansion (福州金輝大廈)	Commercial	Fuzhou	16,760	Completed	100.0%
9.	Shanghai Jingang Commercial Plaza (上海金港商業廣場)	Commercial	Shanghai	30,622	Completed	100.0%
10.	Suzhou Qianwan Commercial Center (蘇州淺灣商業中心)	Commercial	Suzhou	36,464	Completed	100.0%
11.	Xi'an Jinhui World City Block G (西安金輝世界城G棟)	Commercial	Xi'an	15,074	Completed	48.0%[4]
12.	Chongqing Jinhui City Phase V (重慶金輝城五期二標)[3]	Office	Chongqing	69,530	Held for future development	N/A

Notes:

(1) Refers to occupancy rate of properties for commercial or office use (excluding car parks).

(2) The construction of Chongqing Jinhui Plaza was completed in March 2015. As of December 31, 2017, 2018 and 2019 and July 31, 2020, the occupancy rate of Chongqing Jinhui Plaza was 60.0%, 63.0%, 63.0% and 59.0%, respectively. Chongqing Jinhui Plaza had a relatively low occupancy rate as of July 31, 2020 as we strategically looked for long-term high-quality tenants and were still in the process of locating such tenants.

(3) The project is expected to be completed in May 2023.

(4) Xi'an Jinhui World City Block G had a relatively low occupancy rate as of July 31, 2020 as the project was completed in March 2020 and we were still in the process of locating appropriate tenants.

As of July 31, 2020, we also held 12 completed investment properties used as kindergarten or clubhouse, with an aggregate GFA of 40,616 sq.m. The 12 completed investment properties used as kindergartens and clubhouses were located in Chongqing and Xi'an, respectively, and their average occupancy rate was 78%, 78%, 100% and 100% as of December 31, 2017, 2018 and 2019 and July 31, 2020, respectively. The lower average occupancy rates in 2017 and 2018 were due to the fact that a clubhouse in Chongqing had not been leased as of December 31, 2017 and 2018. We had not sourced appropriate tenant for the clubhouse as of December 31, 2017 and 2018. All of the 12 investment properties had been leased out as of December 31, 2019 and as a result, the occupancy rate as of December 31, 2019 and as of July 31, 2020 was 100%.

Our investment properties did not have any material defects or deficiencies during the Track Record Period, although some routine maintenances were made. None of our investment properties encountered any temporary closures during the Track Record Period, except for certain investment properties which were temporarily closed in accordance with various measures adopted by local governments aiming to contain the COVID-19 pandemic.

PROPERTY MANAGEMENT SERVICES

During the Track Record Period, we provided property management services mainly to some of our residential and commercial properties. The customers of our property management services during the Track Record Period were primarily property owners who purchased our properties and tenants of our properties. We also provide property management services to some of our project companies. The property management services that we provided include cleaning, security, landscaping, and building and equipment maintenance. In 2017, 2018 and 2019, revenue derived from our property management services was RMB357.1 million, RMB480.5 million and RMB517.2 million, respectively. To focus our resources primarily on property development and sales, we disposed property management service business from our Group upon the Reorganization in December 2019. As a result, we did not record any revenue from property management services in the four months ended April 30, 2020. See "History, Reorganization and Corporate Structure — Reorganization — Disposals of Beijing Jinhui Jinjiang and Xi'an Jinhui Square Commercial Property Management" for details.

MANAGEMENT CONSULTING SERVICES

We provide management consulting services to our joint ventures and associates for those projects that we develop by cooperating with third-party business partners through joint ventures and associates, mainly including supporting and consulting services provided to these entities in connection with the design, sales and marketing of properties, and overall project management during the development and sales of properties. Leveraging our established experience and expertise in property development, we provide management consulting services with a goal to strengthen our cooperation with our business partners and streamline the management of the relevant projects.

HOTELS

As of July 31, 2020, we also had two hotels under construction and two hotels at the planning and designing stage located in Fuzhou, Xi'an, Suzhou and Wuhan, respectively. All the four hotels are strategically designed as five-star hotels and are planned to be located in business centers of the relevant cities. We expect to further develop our hotel business and expand into other cities alongside with the development of our residential and commercial property projects. We intend to collaborate with renowned hotel management companies in operating these hotels. In addition, we will also train our own hotel management team with a goal to improve service quality and gradually build our brand name.

EFFECTS OF THE COVID-19 PANDEMIC

COVID-19 Pandemic

Toward the end of 2019, a highly infectious novel coronavirus, was identified. The World Health Organization, or the WHO, later named it COVID-19, and is closely monitoring and evaluating the situation. On January 30, 2020, the WHO declared the outbreak of COVID-19 a Public Health Emergency of International Concern, or the PHEIC. In March 2020, the WHO characterized the outbreak of COVID-19 a pandemic. As of the date of this Prospectus, the COVID-19 pandemic has spread across China and to over 200 countries and territories globally with death toll and number of infected cases continued to rise. Many countries have imposed unprecedented measures to halt the spread of the COVID-19 pandemic, including lockdowns and travel bans. With an aim to contain the COVID-19 pandemic, the PRC Government has also imposed strict measures across the PRC since January 23, 2020, including, but not limited to, lock-down measures across various cities in the PRC, extended shutdown of business operations, and mandatory quarantine requirements on infected individuals and anyone deemed potentially infected.

As a result of the timely and effective implementation of these measures, on March 17, 2020, China reported no local infections for the first time since the outbreak of the COVID-19 pandemic and reached a milestone in its fight against the COVID-19 pandemic. The PRC authorities across the country have subsequently lowered emergency response levels to the COVID-19 pandemic since mid-April 2020, allowing businesses and factories to gradually reopen. In addition, China ended the lockdown of Wuhan, the most seriously affected city in China, on April 8, 2020, after a 76-days lockdown. The easing of travel restrictions on Wuhan is the latest milestone in China's fight against the COVID-19 pandemic. China reported few new local infections in recent weeks. However, the outbreak of COVID-19 pandemic is still likely to have an adverse impact on the livelihood of the people in and the economy of the PRC, particularly in Hubei Province where there is the largest number of confirmed cases and fatalities in China.

Impact of the COVID-19 Pandemic on China's Economy

The PRC Government has taken various measures to cure confirmed cases, reduce potential spread and impact of infection. The PRC Government and its local counterparts have also adopted various incentive policies to boost the economy, such as cutting taxes, increasing government investment and increasing the amount of the currency issued. The combination of fiscal and monetary incentives is expected to ease the negative impact of the COVID-19 pandemic on the national economy. According to the data released on July 17, 2020 by the National Bureau of Statistics of China, or the National Statistics Bureau, China's second quarter GDP increased by 3.2% in 2020 compared with the second quarter of 2019. According to the National Statistics Bureau, the fixed asset investment fell by 3.1% in the first half of 2020 compared with the first half of 2019, easing from a 16.1% fall in the first quarter of 2020, and retail sales fell by 11.4% in the first half of 2020 compared with the first half of 2019, easing from a 15.8% fall in the first quarter of 2020.

According to JLL, a general resumption of production and operations indicates a gradual recovery of economy. According to the economic growth data of China and other major economies, the Chinese economy took an economic hit by the COVID-19 pandemic in early 2020 as it took strict restrictive measures to fight against the COVID-19 pandemic.

Impact on China's Real Estate Market

According to JLL, the PRC real estate market in general is under pressure in the short term as the COVID-19 pandemic has curbed on-site sales, though the impact is likely to ease starting from April 2020.

According to the data released by the National Statistics Bureau on July 17, 2020, the total GFA under construction in the first half of 2020 was 7,927.2 million sq.m., representing an increase of approximately 2.6% compared to the first half of 2019. The total GFA sold was 694.0 million sq.m., representing a decrease of approximately 8.4% compared with the first half of 2019. Nevertheless, China's real estate market started to recover since March 2020 and the June 2020 data witnessed a strong rebound. China's real estate investment in the first half of 2020 amounted to RMB6,278.0 billion, representing an increase of approximately 1.9% compared with the first half of 2019, rebounding from a 7.7% fall in the first quarter of 2020. The total contracted sales of properties decreased by 5.4% in the first half of 2020 compared with the first half of 2019, easing from a 24.7% fall in the first quarter of 2020. Though the contracted sales dropped in the first half of 2020 compared with the first half of 2019, according to the Index of Sales Price of Residential Properties in 70 large- and mid-sized cities published by the National Statistics Bureau, the ASP of residential properties is slightly higher in June 2020 than that in June 2019.

According to JLL, the rebound of China's real estate market since late March 2020 is in line with the recovery of the national economy. In addition, the market demand for residential properties is expected to further stabilize with a potential increase in the near future as a result of the on-going nationwide urbanization process and robust housing needs.

Impact on Consumer Behavior towards Purchasing Properties

As a result of the restrictive measures taken to contain the COVID-19 pandemic, lots of property developers closed their sales offices and display units as required by local governments, and accordingly, physical viewings of properties have reduced significantly since the outbreak of the COVID-19 pandemic. Although some property developers adopted other approaches, such as conducting online property sales by providing potential purchasers a virtual property tour, the contracted sales of properties in China in the first half of 2020 decreased by 5.4% compared with the first half of 2019. According to JLL, since late March 2020, with the reopening of the sales offices and display units, potential purchasers began to visit sales offices, showing a rising level of interest in purchasing properties as compared with the first two months in 2020. First-time homebuyers and first-time upgraders are driving the demand even in time of the COVID-19 pandemic. Holding real estate asset is considered an optimal choice for capital preservation by lots of consumers.

Impact on Tenants' Business Operations

Business operations of tenants of retail properties and office properties, in particular, tenants engaged in retail, catering, entertainment and related industries, have been greatly affected, as a result of the significant drop in visitors to retail properties and flexible working arrangements adopted by employers. Rental rates and occupancy rates of retail properties and office properties in a majority of cities in China dropped in the first half of 2020 as compared with the first half of 2019. In addition, tenants continue to incur additional costs as a result of measures taken for disinfection and body temperature monitoring. Certain tenants may face financial distresses and as a result demand property owners to waive rents for a certain period of time or grant rent-free extensions.

Effects of the COVID-19 Pandemic on Our Business Operations

Our Directors are of the view that the COVID-19 pandemic will not have a significant adverse impact on our business in general. Since the outbreak of the COVID-19 pandemic and up to the Latest Practicable Date, we expect to incur additional costs and expenses of approximately RMB28.8 million in our operations as a result of the outbreak of the COVID-19 pandemic, which mainly consisted of (i) costs incurred for purchasing epidemic prevention materials; (ii) costs incurred for building quarantine spaces and facilities in our construction sites pursuant to relevant governmental requirements for workers who returned for work and were quarantined for a certain period of time before resuming working on site; and (iii) compensation and financial incentives provided to our contractors to help them return to work. We may continue to incur additional costs and expenses in the near future to protect the health of our employees and comply with the relevant governmental requirements. As a result of the COVID-19 pandemic, since late January 2020 and up to mid-April 2020, we had suspended the construction activities for our property development projects in compliance with the governmental requirements. However, as the impact of COVID-19 pandemic on each region of China varies, the local governments implemented differentiated restricted measures regarding construction activities. Accordingly, the exact suspension period for each project varies. We timely applied for approvals for resumption of constructions from relevant authorities pursuant to the relevant local regulations and requirements as the COVID-19 pandemic were gradually contained across different regions, with the first project resumed operations in Changsha in mid-February 2020, and the last project resumed operations in Wuhan in mid-April 2020. As such, we do not expect that the COVID-19 pandemic will have a material adverse impact on our business operations and financial results for the year ending December 31, 2020. We set forth below a detailed analysis of impact of the COVID-19 pandemic on our business operations.

Property Development

We typically slow down our property construction and sales activities around the Chinese New Year holiday. The COVID-19 pandemic began its spread in late January in China when the seven-day Chinese New Year holiday started, which had been further extended. The property construction and sales activities have been gradually resumed thereafter. Our contractors continued to carry out their obligations under the relevant contracts pursuant to the contract terms. As of the Latest Practicable Date, we did not experience any significant shortage of construction materials or labors that materially interrupted the construction or sales of our properties. In the event we experience any delays in the completion of construction or the delivery of our projects, such delay may be considered as a default due to the *force majeure* under the relevant contracts pursuant to the relevant laws and regulations, and we may not be subject to any penalties by the PRC governmental authorities or any liquidated damages sought by our purchasers. According to the PRC Contract Law (《中華人民共和國合同法》), where a party is prevented from performing its obligations under a contract as a result of *force majeure*, such obligations shall be all or partially exempted taking into consideration the impact of such *force majeure* event. On April 20, 2020, the Supreme People's Court of the PRC published its Guiding Opinions on Several Issues Concerning Proper Trial of Civil Cases Involving the COVID-19 Pandemic (《關於依法妥善審理涉新冠肺炎疫情民事案件若干問題的指導意見》), or the SPC Guiding Opinions, setting forth its guidance on applying *force majeure* when handling civil cases relating to the COVID-19 pandemic. According to the SPC Guiding Opinions, if the COVID-19 pandemic or related control measures directly prevent a party from performing its obligations, such party may be partially or fully exempted from performing the contract by referring to the *force majeure* provisions.

Property Projects Located in Hubei Province

Hubei, the province hardest-hit by the COVID-19 pandemic in China, declared level one public health emergency on January 24, 2020. Since then, Hubei Province had implemented various measures throughout the province to contain the spread of the COVID-19 pandemic, including the lockdown of its capital city, Wuhan, most seriously affected city in China, until April 8, 2020. As a result of the measures implemented, the production activities, including property construction, in Hubei Province had generally been suspended since late January 2020. On June 13, 2020, Hubei Province reduced the level of public health emergency to level three, and the local governments in Hubei Province allow businesses and factories to gradually reopen after obtaining the requisite approvals. In anticipation of the impact that may be caused on construction activities and with a review to helping the businesses to manage expected delays in commencement and completion of construction and resolve related disputes, the Department of Housing and Urban-rural Development of Hubei Province (湖北省住房和城鄉建設廳) issued guiding opinions, pursuant to which, the construction commencement and completion date of a project may be extended accordingly from January 24, 2020, the date on which Hubei Province declared level one public health emergency, until Hubei Province lowers such emergency level. As the COVID-19 pandemic has been effectively contained, the lockdown of Hubei Province was released in April 2020.

As of the Latest Practicable Date, we had five property development projects in Hubei Province, consisting of: (i) four property development projects in Wuhan with an aggregate planned GFA under development and estimated GFA for future development of 2,422,263 sq.m., three of which were under development and had commenced pre-sales and one of which was held for future development; and (ii) one property development project in Jingzhou with an aggregate planned GFA under development of 230,207 sq.m., which was under development and had commenced pre-sales. As of the Latest Practicable Date, we had obtained approvals from relevant authorities with respect to resumption of construction for all four projects which were under development. As of the Latest Practicable Date, all of these property projects had resumed normal operations. We set forth below the impact of the COVID-19 pandemic on these five projects:

- *Wuhan Jiangyue Elite's Mansion (武漢江樾雲著)*: On-site construction activities fully resumed as of the Latest Practicable Date. We expect an approximately three-month delay in the construction completion and property delivery for certain parts of this project. As of the Latest Practicable Date, we had obtained pre-sale permits for all properties that meet the pre-sales requirements and started pre-sales accordingly. As of the Latest Practicable Date, approximately 42% of the total saleable GFA of the properties for which we obtained pre-sales permits had been pre-sold. We do not expect to recognize any revenue from this project in 2020.

- *Wuhan New Block Lakeside (武漢優步湖畔)*: On-site construction activities fully resumed as of the Latest Practicable Date. We expect an approximately three-month delay in the construction completion and property delivery for certain parts of this project. We had notified property purchasers with respect to such expected delays. As of the Latest Practicable Date, approximately 71% of the total saleable GFA of the properties for which we obtained pre-sales permits had been pre-sold. In 2020, we expect to recognize revenue of approximately RMB1.0 billion from this project for properties which had been pre-sold as of December 31, 2019.

- *Wuhan Jinhui City (武漢金輝城)*: On-site construction activities fully resumed as of the Latest Practicable Date. We expect an approximately three-month delay in the construction completion and property delivery for certain parts of this project. As of the Latest Practicable Date, we had obtained pre-sale permits for all properties that met the pre-sales requirements and started pre-sales accordingly. As of the Latest Practicable Date, approximately 33% of the total saleable GFA of the property for which we obtained pre-sales permits had been pre-sold. We do not expect to recognize any revenue from this project in 2020.

- *Wuhan Jiangshan Elite's Mansion (武漢江山雲著)*: This project is held for future development. We expect to experience a three-month delay in the commencement of construction as a result of the impacts of the COVID-19 pandemic, and we expect to experience a further delay due to changes in the government's overall planning of the area. We expect to commence construction in December 2020 and pre-sales in June 2021.

- *Jingzhou Chuyue Elite's Mansion (荊州楚樾雲著)*: On-site construction activities fully resumed as of the Latest Practicable Date. We do not expect any delays in the construction completion and property delivery. As of the Latest Practicable Date, we had obtained pre-sale permits for all properties that met the pre-sales requirements and started pre-sales accordingly. As of the Latest Practicable Date, approximately 37% of the total saleable GFA of the property for which we obtained pre-sales permits had been pre-sold. We do not expect to recognize any revenue from this project in 2020.

Since December 31, 2019 and up to the Latest Practicable Date, eight property purchasers in Hubei Province requested to terminate their purchase contracts with us, involving an aggregate contract price of approximately RMB7.8 million. As of the Latest Practicable Date, two out of the eight properties had been subsequently sold to other purchasers. Though we experienced an approximately three-month delay in construction completion for three projects that were under construction in Hubei Province, we are allowed to extend the completion date pursuant to the relevant government policies. Based on the above, we do not expect that the COVID-19 pandemic will have a material adverse impact on our property development projects in Hubei Province.

Property Projects Located Outside Hubei Province

Since late January 2020, we had suspended the construction activities for our property development projects in compliance with the governmental requirements. However, as the impact of COVID-19 pandemic on each region of China varies, the local governments implemented differentiated restricted measures regarding construction activities. Accordingly, the exact suspension period for each project varies. We timely applied for approvals for resumption of constructions from relevant authorities pursuant to the relevant local regulations and requirements as the COVID-19 pandemic were gradually contained across different regions, with the first project that resumed operations in Changsha in mid-February 2020. As of the Latest Practicable Date, all of our property projects located outside Hubei Province had resumed normal operations.

Since the outbreak of the COVID-19 pandemic and up to resumption of construction pursuant to the specific requirements of the relevant local governments since mid-April 2020, we experienced certain delays in property development and delivery process as we suspended the construction activities and closed construction sites in accordance with the relevant governmental requirements. As a result, for our projects outside Hubei Province, we experienced an approximately (i) one-month delay in property delivery for certain parts of two projects with one located in Chongqing and one located in Tianjin; and (ii) two-month delay in property delivery for certain parts of one project located in Fuzhou. For these three projects, we expect to recognize revenue of approximately RMB4.9 billion in 2020. In addition, we experienced an approximately two-month delay in commencement of pre-sales for one project located in Langfang. We do not expect to conduct property delivery for the project in Langfang in 2020 and therefore do not expect to recognize any revenue for this project in 2020. We have sent notice to the relevant purchasers with respect to the extension of property delivery date pursuant to the relevant local policies and had not received any complaints or claims as of the Latest Practicable Date. We also reduced our pre-sales and sales activities as we closed all sales offices and display units. Since December 31, 2019 and up to the Latest Practicable Date, 54 property purchasers outside Hubei Province requested to terminate their purchase contracts with us, involving an aggregate contract price of approximately RMB93.2 million. Terminations of purchase contracts occur from time to time in the ordinary course of our business, and are generally due to property purchasers' individual reasons. To our best knowledge, the above-mentioned terminations were due to such similar individual reasons unrelated to the COVID-19 pandemic. For such termination of purchase contracts, as advised by our PRC Legal Advisors, we are entitled to forfeit the deposits or seek liquidated damages from the purchasers for breach of contracts as it is stipulated on the relevant purchase contracts that we are entitled to forfeit the deposits or seek liquidated damages when the property purchasers request to terminate the purchase contracts unilaterally due to individual reasons unrelated to us. As of the Latest Practicable Date, 35 out of the above-mentioned properties had been subsequently sold to other purchasers.

As of the Latest Practicable Date, on-site construction activities for all of our property development projects outside Hubei Province had resumed and all sales offices and display units had re-opened. Other than the delays in commencement of construction, pre-sale, and delivery set forth above in details, we do not expect any significant delays in property construction, pre-sale, and delivery. Our property sales are expected to pick up as we are taking various measures to ramp up our property sales, such as introducing client referral program, integrating online marketing and offline sales efforts, and engaging part-time sales agents. We expect our property sales to further re-bounce in the second half of 2020.

Impact on Our Supply Chain

Since the outbreak of the COVID-19 pandemic and up to the Latest Practicable Date, we did not experience any significant disruption to the services provided by our contractors or the supply of materials from our suppliers. While the supply chains in all industries have been disrupted to a certain extent by the outbreak of the COVID-19 pandemic, particularly due to the prolonged suspension of business operations nationwide and the instability of workforce arising from the mandatory quarantine requirements, we also suspended our construction activities until mid-April 2020. When we resumed constructions from mid-April 2020, our contractors and suppliers also resumed normal operations. As a result, we have not experienced and do not expect to encounter any material disruption to our supply chains that may delay our construction schedules.

Based on the above, we do not expect the COVID-19 pandemic to have a material adverse impact on our property development projects outside Hubei Province.

Property Leasing

Our property leasing business has been affected by the COVID-19 pandemic as a result of the closure of certain investment properties, such as kindergartens and clubhouses, in accordance with various measures adopted by local governments aiming to contain the spread of the COVID-19 pandemic. We also formulated appropriate rent reduction or exemption measures for our commercial properties in Beijing, Chongqing, Xi'an and Suzhou. As a result of such measures, the total amount of rent reduced and exempted since December 31, 2019 and up to the Latest Practicable Date was approximately RMB13.1 million. Since December 31, 2019 and up to the Latest Practicable Date, 14 tenants sought an earlier termination of their lease contracts with us. For such early terminations, as advised by our PRC Legal Advisors, we are entitled to forfeit the deposits those tenants paid under such lease contracts as it is stipulated in the relevant lease contracts that we are entitled to forfeit the deposits when the tenants request to terminate the lease contracts unilaterally due to individual reasons unrelated to us. Since December 31, 2019 and up to the Latest Practicable Date, the total amount of forfeited deposits was approximately RMB0.7 million. After deducting the forfeited deposits, we incurred a loss of RMB1.1 million in rental income as a result of such lease terminations. To our best knowledge, certain tenants sought an earlier termination as their business operations were adversely affected by the reduced customer traffic flows and decreased business activities as a result of the COVID-19 pandemic. As of the Latest Practicable Date, eight out of those 14 properties had been fully or partially leased to new tenants. We are able to maintain relatively stable occupancy rates for our leased properties. As of the Latest Practicable Date, all of our leased properties reopened. As we only incurred a loss of RMB1.1 million in rental income after deducting the forfeited deposits, we do not expect the COVID-19 pandemic to have a material adverse impact on our property leasing business.

Management Consulting Services

We provide management consulting services to our joint ventures and associates, mainly comprising management consultation services that we provide to them in connection with the design, sales and marketing of properties, and overall project management during development and sales of properties. We receive service fees pursuant to the terms of the relevant contracts. The service fees are typically received in accordance with the development progress of relevant projects. As we expect the COVID-19 pandemic to have a limited impact on the development progress of the relevant projects, we expect the pandemic to only have a limited adverse impact on our management consulting services and will not materially and adversely affect this business line for the year ending December 31, 2020.

Based on above, we are of the view that the COVID-19 pandemic did not have a significant impact on our business and financial condition during the Track Record Period and will not have a significant impact on our business and financial conditions going forward.

The information above is prepared on the basis of our internal records and our management's present expectation, which are subject to various risks, assumptions and uncertainties. There is no assurance that the actual impact will not deviate from our current estimates or expectations. See "Risk Factors — Risks Relating to the PRC — The COVID-19 pandemic may adversely affect the PRC economy, the PRC real estate industry and our business operations." In the event of material change in the expected impact of the COVID-19 pandemic on our business operations and prospects, to comply with the Listing Rules, we will make announcements as and when appropriate if our business might be materially or adversely affected.

Taking into account our current project development and sales schedules, our expected cash generated from operating activities, the estimated net proceeds from the Global Offering, our credit facilities maintained with banks, and additional financial resources available to us, together with our expected cash outflow in the near future, our Directors are of the opinion that we will have available sufficient working capital for our present capital requirements that is for at least the 12 months following the date of this Prospectus. See "Financial Information — Liquidity and Capital Resources — Sufficiency of Working Capital."

Compliance with the COVID-19 Pandemic Related Regulations and Measures

We have complied with the relevant regulations and measures implemented by government authorities with a view to containing the COVID-19 pandemic including various measures and procedures with respect to the closure and opening of sales offices, suspension and resumption of construction activities, and quarantine requirements.

We closed sales offices after the outbreak of the COVID-19 pandemic pursuant to the requirements of the relevant local authorities and commenced online property sales. Our sales offices gradually opened in late March 2020 after the COVID-19 pandemic has been effectively contained nationwide in China. We followed established procedures applying for opening of our sales offices and take enhanced measures to sanitize common areas of our sales offices and require our sales personnel and all visitors to all sales offices to wear masks as well as maintain social distancing.

We suspended the construction activities and closed construction sites after the outbreak of the COVID-19 pandemic. After the COVID-19 pandemic has been effectively contained, we followed the relevant procedures set by the relevant government authorities with respect to resumption of construction activities, and would only resume construction upon obtaining the required approvals. After the resumption of construction activities, we required all personnel on the construction site to strictly follow our procedures to prevent exposure and contain the transmission of the COVID-19 pandemic, including taking the temperature of all personnel before they enter into the construction site, sanitizing common areas and direct work places, including all on-site facilities, requiring all on-site personnel to maintain social distance when working, having breaks or having meals.

We require all of our employees to follow the required steps taken by various local governments when returning to work, including various quarantine requirements. To our best knowledge, only one of our employees in Wuhan was infected with COVID-19 in January 2020 and had recovered in February 2020. As of the Latest Practicable Date, no employee was still subject to quarantine as a result of infection. To our best knowledge, no key management personnel of our general contractors were being quarantined as of the Latest Practicable Date. As the general contractors may further engage sub-contractors, we are not aware whether any sub-contractors or their respective work force were/are being quarantined. We have obtained approvals for each of our projects that resumed construction and has required its general contractors as well as other sub-contractors and personnel on the construction sites to strictly follow the requirements of local governments with respect to disinfection and body temperature monitoring.

All of our contractors and suppliers had resumed their respective operations.

Our Contingency Plan and Response towards the COVID-19 Pandemic

In response to the COVID-19 pandemic, we have implemented a contingency plan to minimize the disruptions that may be caused to our business operations, including (i) keeping close communication with local governments and arrange resumption of our construction and sales activities accordingly in time; (ii) launching our online sales office and providing 24-hour property tour services online in certain cities we operate; (iii) discussing with subcontractors and material suppliers to ensure the supply of our raw materials and productivity of labor; and (iv) making up the operation by increasing machinery, labor force and reasonably arranging overtime work after resumption of work. We also adopted enhanced hygiene and precautionary measures across our projects, including (i) monitoring the medical symptoms of our employees and the visitors at our offices by measuring their body temperatures and providing forehead thermometer and disinfectant; (ii) regularly cleaning and disinfecting the common areas in our offices; (iii) providing technical support for employees to work from home; and (iv) promoting personal hygiene among our employees and reducing the printing and transferring of documents. Since the outbreak of the COVID-19 pandemic and up to the Latest Practicable Date, we expect to incur additional costs and expenses of approximately RMB28.8 million, which mainly consisted of (i) costs incurred for purchasing epidemic prevention materials; (ii) costs incurred for building quarantine spaces and facilities in our construction sites pursuant to relevant governmental requirements for workers who returned for work and were quarantined for a certain period of time before resuming working on site; and (iii) compensation and financial incentives provided to our contractors to help them return to work. We may continue to purchase medical and cleaning supplies in the near future to ensure the safety of our employees. Our Directors confirm that the costs associated with the enhanced measures would have no significant impact on our financial position for the year ending December 31, 2020.

Effects of the COVID-19 Pandemic on Our Business Strategies

Currently, it is one of our business strategies to continue to focus on five key regions, namely, the Yangtze River Delta, the Bohai Economic Rim, Southern China, Southwest China and Northwestern China, and strengthen our market position in these regions by further expanding our market shares therein. While the real estate market in the PRC may experience certain extent of impact as a result of the COVID-19 pandemic, given the large population and large market capacity, we believe that the demand for residential and commercial properties in these areas still will remain high. According to JLL, the COVID-19 pandemic is expected to cause certain short-term economic slowdown across China but it will unlikely affect the regional macroeconomic development plan and talent attraction plan in the long run in areas outside Hubei Province, and it is expected that once the outbreak is effectively controlled, the outlook for the demand of residential and commercial properties in these cities will remain strong. We therefore believe that our expansion plan as discussed in "Business — Our Strategies" is feasible, and it is unlikely that we would change the use of the net proceeds from the Global Offering as disclosed in "Future Plans and Use of Proceeds" in this Prospectus as a result of the COVID-19 pandemic.

PROPERTIES FOR SELF-USE

As of the Latest Practicable Date, we had properties of a total GFA of approximately 15,561 sq.m. which we occupied mainly for self-use as offices.

LEASED PROPERTIES

As of the Latest Practicable Date, we leased 30 properties with a total GFA of approximately 17,565 sq.m. mainly used as our offices premises. Our leases generally have a term ranging from three to five years, and we expect to renew the leases upon their expiry.

As of the Latest Practicable Date, we failed to register 15 lease agreements we entered into as tenant for certain properties with a total GFA of approximately 8,296 sq.m. We sought cooperation from the landlords at the leased properties to register such executed lease agreements. Registration of lease agreements requires the submission of certain documents of landlords, including their identity documentation and property ownership certificates, to the relevant authorities. We failed to register these 15 lease agreements primarily due to the lack of the cooperation from the relevant landlords to complete such registration. Our PRC Legal Advisors have advised that the lack of registration will not affect the validity of the lease agreements. However, relevant government authorities may require us to rectify these unregistered lease agreements within a certain period of time. If we fail to rectify within the specified time, we may face a fine of up to RMB10,000 for each unregistered lease agreement. See "Risk Factors — Risks Relating to Our Business — We may be subject to fines due to the lack of registration of our leases." As of the Latest Practicable Date, we had not received any rectification order from any regulatory authority or been subject to any fines in respect of non-registration of any of our lease agreements. In the event that we are required by relevant competent authorities to rectify the non-registration of these lease agreements, and we are unable to do so due to lack of cooperation from the landlords, we intend to terminate the non-compliant leases, find alternative locations nearby and relocate from such leased properties. Given the nature of our operation, we believe that it would not be difficult for us to identify and relocate to alternative premises and relocation would not result in any material disruptions to our business. Taking into account that the maximum penalties we may be subject to and the additional relocation costs we may incur, our Directors believe that these unregistered lease agreements would not have a material operational or financial impact on us. Accordingly, no provision has been made in our financial statements. In order to ensure ongoing compliance with the PRC law and regulations relating to the registration of executed lease agreements, where we execute a lease agreement as a tenant, we will continue to seek cooperation from the landlords of the leased properties to register executed lease agreements with the relevant government authorities and have adopted a variety of risk control measures to mitigate such regulatory risk. Such risk control measures include: (i) establishing a detailed record of our leased properties with information of the status of the lease registration of relevant lease agreements, to monitor the registration status of our leased properties; and (ii) establishing a review procedure of the aforementioned record of leased properties. Specifically, head of the administrative department of every project company shall review the record of leased properties and report to the Group's human resource and administrative department on a monthly basis if there is any lease agreement pending for registration. Taking into account that we will (i) register the relevant lease agreements as soon as practicable; (ii) rectify such registration in a timely manner should it receives any notice from the relevant government authorities; and (iii) the internal control measures implemented by us, our PRC Legal Advisors are of the view that, in practice, the risks that we will be subject to administrative penalties for these non-compliance incidents are low.

SUPPLIERS AND CUSTOMERS

Suppliers

Our suppliers primarily include construction contractors and equipment suppliers. In 2017, 2018 and 2019 and the four months ended April 30, 2020, purchases from our five largest suppliers amounted to RMB4,285.2 million, RMB6,799.9 million, RMB8,323.7 million and RMB2,586.7 million, respectively, accounting for 47.8%, 52.3%, 62.7% and 63.4% of our total purchases, respectively. All of our five largest suppliers during the Track Record Period were construction contractors and were all Independent Third Parties. In 2017, 2018 and 2019 and the four months ended April 30, 2020, purchases from our single largest supplier amounted to RMB1,656.4 million, RMB2,709.3 million, RMB3,430.5 million and RMB917.4 million, respectively, accounting for 18.5%, 20.8%, 25.9% and 22.5% of our total purchases, respectively. We have an average of over ten years of business relationships with our top five largest suppliers during the Track Record Period. Other than the above-mentioned business relationships, there is no past or present relationship between each of our five largest suppliers and us and our subsidiaries, shareholders, Directors, senior management, or any of their respective associates.

All of our five largest suppliers during the Track Record Period were construction contractors. The following tables set forth certain other information of our five largest suppliers during the Track Record Period:

Supplier	Duration of Business Relationship as of the Latest Practicable Date	Total Purchase Amount	Percentage of Our Total Purchases
	(Years)	(RMB'000)	
Four months ended April 30, 2020			
1. Supplier A	14	917,418	22.5%
2. Supplier B	11	774,530	19.0%
3. Supplier C	1	632,503	15.5%
4. Supplier D	20	166,705	4.1%
5. Supplier E	9	95,542	2.3%
Year ended December 31, 2019			
1. Supplier A	14	3,490,078	26.3%
2. Supplier B	11	3,336,432	25.1%
3. Supplier C	1	792,739	6.0%
4. Supplier F	18	504,994	3.8%
5. Supplier D	20	303,447	2.3%
Year ended December 31, 2018			
1. Supplier A	14	2,709,322	20.8%
2. Supplier B	11	2,370,329	18.2%
3. Supplier D	20	977,928	7.5%
4. Supplier F	18	402,752	3.1%
5. Supplier E	9	339,564	2.6%
Year ended December 31, 2017			
1. Supplier A	14	1,656,385	18.5%
2. Supplier B	11	1,386,891	15.5%
3. Supplier D	20	728,931	8.1%
4. Supplier G	3	254,771	2.8%
5. Supplier E	9	247,802	2.8%

To the best knowledge of our Directors, none of our Directors, their respective close associates or any shareholder who owns more than 5% of our issued share capital had any interest in any of our five largest suppliers during the Track Record Period.

Customers

Our customers are primarily individual purchasers and corporate entities. In 2017, 2018 and 2019 and the four months ended April 30, 2020, revenue from our five largest customers amounted to RMB126.8 million, RMB218.9 million, RMB225.1 million and RMB96.3 million, respectively, accounting for 1.1%, 1.4%, 0.9% and 3.3% of our total revenue, respectively. All of our five largest customers in 2017, 2018 and 2019 and the four months ended April 30, 2020 are individual purchasers of our properties, and all of them are Independent Third Parties. In 2017, 2018 and 2019 and the four months ended April 30, 2020, revenue from our single largest customer amounted to RMB27.0 million, RMB61.9 million, RMB73.5 million and RMB24.9 million, respectively, accounting for 0.2%, 0.4%, 0.3% and 0.9% of our total revenue, respectively.

In 2017, 2018 and 2019 and the four months ended April 30, 2020, revenue from our five largest tenants amounted to RMB32.2 million, RMB125.3 million, RMB130.9 million and RMB44.6 million, respectively. All of our five largest tenants in 2017, 2018 and 2019 and the four months ended April 30, 2020 are corporate entities, and all of them are Independent Third Parties.

To the best knowledge of our Directors, none of our Directors, their respective close associates or any shareholder who owns more than 5% of our issued share capital had any interest in any of our five largest customers or tenants during the Track Record Period.

AWARDS AND RECOGNITIONS

We have received recognition from various industry associations and media. The table below sets out certain of the awards we received in respect of our property development operations:

Year	Award/Recognition	Project/Branch	Awarding Institution
2014-2020	"China's Top 50 Real Estate Developer" (中國房地產開發企業50強)	Our Group	China Real Estate Association (中國房地產協會) and China Real Estate Appraisal Center of E-house China Research Institute (上海易居房地產研究院中國房地產評測中心)
2018-2020	"China's Top 10 Real Estate Developer in Terms of Overall Growth" (中國房地產開發企業綜合發展10強)	Our Group	China Real Estate Association and China Real Estate Appraisal Center of E-house China Research Institute
2018-2020	"China's Top 100 Real Estate Developers" (中國房地產百強企業)	Our Group	The Enterprise Research Institute of Development Research Center of the State Council (國務院發展研究中心企業研究所), Center for Real Estate of Tsinghua University (清華大學房地產研究所) and China Index Academy (中國指數研究院)
2020	"2019-2020 China Real Estate Poverty Alleviation Benchmarking Developers" (2019-2020 中國房地產年度扶貧標桿企業)	Our Group	The Enterprise Research Institute of Development Research Center of the State Council , Center for Real Estate of Tsinghua University and China Index Academy
2020	"2020 China Specialized Real Estate Company — Comprehensive Operation of Urbanization" (2020 中國特式地產運營優秀企業 — 城市綜合運營商)	Our Group	The Enterprise Research Institute of Development Research Center of the State Council, Center for Real Estate of Tsinghua University and China Index Academy
2020	"2020 Top 100 Commercial Real Estate Enterprise" (2020 中國商業地產百強企業)	Our Group	The Enterprise Research Institute of Development Research Center of the State Council, Center for Real Estate of Tsinghua University and China Index Academy
2020	"2020 Chinese Real Estate Developers Characteristic Projects" (2020 中國房地產開發企業典型項目)	Xi'an Jinhui East King' Garden (西安金輝東方銘著)	China Real Estate Association and China Real Estate Appraisal Center of E-house China Research Institute
2019	"China's Top 30 Real Estate Developer Brand Value" (中國房地產開發企業品牌價值30強)	Our Group	China Real Estate Association and China Real Estate Appraisal Center of E-house China Research Institute

Year	Award/Recognition	Project/Branch	Awarding Institution
2018-2019	"China's Top 10 Real Estate Developers" in terms of value growth" (中國房地產開發企業價值成長性10強)	Our Group	China Real Estate Association and China Real Estate Appraisal Center of E-house China Research Institute
2019	"China Real Estate Best Employer" (中國房地產最佳僱主企業)	Our Group	China Real Estate Association and China Real Estate Appraisal Center of E-house China Research Institute
2019	"2019 Social Responsibility Award" (2019社會責任公益慈善獎)	Our Group	Xinhua Net (新華網)
2019	"2019 Chinese Real Estate Developers Characteristic Projects" (2019中國房地產開發企業典型項目)	Xi'an Jinhui World City (西安金輝世界城)	China Real Estate Association and China Real Estate Appraisal Center of E-house China Research Institute
2019	"2019 Best Brand of China Real Estate Projects" (2019 中國房地產優秀品牌項目)	Xi'an Jinhui East King's Garden (西安金輝東方銘著)	China Real Estate Association and China Real Estate Appraisal Center of E-house China Research Institute
2019	"2019 China's Top 10 Real Estate Projects Series Brand Value" (2019 中國房地產系列項目品牌價值Top 10)	Radiance New Block Series (金輝優步系)	The Enterprise Research Institute of Development Research Center of the State Council, Center for Real Estate of Tsinghua University and China Index Academy
2019	"International Space Design Award — Idea-Tops — Bronze Award of Display Art Design" (國際空間設計大獎 — 艾特獎 — 陳設藝術軟件設計銅獎)	Chongqing Zhongyang King's Garden (重慶中央銘著)	China Interior Design Website
2019	"Top 50 of China's Top 100 Commercial Real Estate Enterprise" (中國商業地產百強企業50強)	Our Group	China Index Academy
2018	"2018 Best Brand of China Real Estate Projects" (2018 中國房地產優秀品牌項目)	Chongqing Zhongyang King's Garden (重慶中央銘著)	China Real Estate Association and China Real Estate Appraisal Center of E-house China Research Institute
2018	"2018 China's Top 30 Real Estate Developer Brand Value (Mixed Ownership)" (2018 中國房地產開發企業品牌價值30強(混合所有制)	Our Group	The Enterprise Research Institute of Development Research Center of the State Council, Center for Real Estate of Tsinghua University and China Index Academy
2018	"2018 China's Top 10 Real Estate Prime Project Brand Value" (2018 中國房地產精品項目品牌價值Top 10)	Radiance Cloud Series (金輝雲系)	The Enterprise Research Institute of Development Research Center of the State Council, Center for Real Estate of Tsinghua University and China Index Academy

Year	Award/Recognition	Project/Branch	Awarding Institution
2017	"2017 China's Top 50 Real Estate Developer Brand Value" (2017 中國房地產開發企業品牌價值50強)	Our Group	China Real Estate Association and China Real Estate Appraisal Center of E-house China Research Institute
2017	"China's Top 10 Real Estate Prime Project Brand Value" (中國房地產精品項目品牌價值Top 10)	Radiance King's Garden Series (金輝銘著系)	The Enterprise Research Institute of Development Research Center of the State Council, Center for Real Estate of Tsinghua University and China Index Academy

INFORMATION TECHNOLOGY

We rely on the effective operation of our IT systems for our business operations. Our IT team is responsible for developing and maintaining an IT system that keeps pace with the expansion of our business and is customized to meet our business needs. The centralized IT system is controlled and operated from our headquarters.

We are subject to security risks and threats from cyber-attacks with respect to our IT systems. We require our staff to follow our management guidelines on our IT system and safeguard information in the system. In addition, we conduct reviews of our IT system and perform the upgrades to prevent and address potential attacks. During the Track Record Period, we had not experienced any disruptions to our IT system that materially impacted our business operations.

COMPETITION

The PRC real estate industry is highly fragmented and competitive. As a real estate developer in China, we primarily compete with other Chinese real estate developers focusing on the development of residential properties in the PRC, in particular, real estate developers in the Yangtze River Delta, the Bohai Economic Rim, Southern China, Southwestern China, and Northwestern China, where we operate. We compete on many fronts, including product quality, service quality, price, financial resources, brand recognition, ability to acquire land and other factors. In recent years, an increasing number of property developers have entered the property development markets in the cities where we have operations, resulting in increased competition for land available for development. We believe major entry barriers into the PRC property development industry include a potential entrant's limited knowledge of local property market conditions and limited brand recognition in these markets. We believe that the PRC real estate industry still has a large potential for growth. We believe that, with our solid experience in real estate development, our reputable brand name and our experienced management team, we are able to respond promptly and effectively to challenges in the PRC property market.

RISK MANAGEMENT AND INTERNAL CONTROL

We believe that risk management and internal control is crucial to the success of any property developer in the PRC. Key operational risks that we face include changes in PRC political and economic conditions, changes in the PRC regulatory environment, availability of suitable land sites for developments at reasonable prices, availability of financing to support our developments, ability to complete our development projects on time, competition from other property developers. See "Risk Factors" in this Prospectus for a discussion of various risks and uncertainties we face.

To monitor the ongoing implementation of our risk management policies and corporate governance measures after the Listing, we have adopted or will adopt, among others, the following risk management and internal control measures:

- the establishment of an audit committee responsible for overseeing our financial records, internal control procedures and risk management systems. See "Directors and Senior Management — Board Committees — Audit Committee" for the qualifications and experience of these committee members as well as a detailed description of the responsibility of our audit committee;

- the appointment of Mr. Chiu Ngam as our company secretary to ensure the compliance of our operation with relevant laws and regulations. For his biographical details, see "Directors and Senior Management — Senior Management — Company Secretary";

- the appointment of Maxa Capital Limited as our compliance advisor upon the Listing to advise us on compliance with the Listing Rules; and

- the engagement of external legal advisors to advise us on compliance with the Listing Rules and to ensure our compliance with relevant regulatory requirements and applicable laws, where necessary.

We embed a culture of compliance in the daily work routine of our employees through regular compliance trainings, and set various expectations for our employees' work performances in terms of compliance.

In addition, we also face various financial risks. In particular, we are exposed to interest rate, credit and liquidity risks that arise in the ordinary course of our business. See "Financial Information — Quantitative and Qualitative Analysis about Market Risk" for a discussion of these market risks.

We have established a comprehensive risk management and internal control system, which consist of an organization framework, as well as policies, procedures and risk management methods that we consider to be appropriate for our business operations. The system is designed to allow us to identify, report and address those risk and incidents that may significantly affect our performance or otherwise expose us to significant losses, liability or non-compliance with applicable laws and regulations. Our risk management system comprises the formulation and implantation of a set of policies and procedures relating to relevant risk areas, including compliance with laws and regulations, construction quality, work safety and environmental matters. We are constantly monitoring the effectiveness of our risk management system. Our Board oversees the implementation of our risk management and internal control measures. Our Board is responsible for approving our business and investment plans, adjusting our risk management plans and strategies in response to risks identified in our business operations. Our internal control system covers various aspects of our operations, including information system control, procurement and accounts payable control, cash management, compensation management and financial reporting control.

According to our investment and treasury policies and internal control measures to control and supervise risks of our investments, we purchase short-term wealth management products with low risk during short-term periods when we have excess cash after meeting our capital needs for land acquisition and property development. Such purchases are generally made primarily for the purposes of achieving reasonably higher return on our excess cash than regular bank deposits in the short term. Our investment decisions are made after due and careful consideration of a number of factors, including market and investment conditions, economic developments, investment cost, duration of investment and the expected returns and potential losses of such investment. We assess our cash flow, operational needs and capital expenditure before making a proposal to invest in wealth management products. For instance, in 2019, as a substantial portion of such wealth management products matured and we had capital needs for land acquisition and property development, we fully redeemed such matured wealth management products and did not purchase additional wealth management products during the four months ended April 30, 2020.

INTELLECTUAL PROPERTY

We believe our brand "Radiance" (金輝) is well known and widely recognized in the cities and regions we have entered into. We have built up our brand primarily through consistent delivery of high-quality properties to our customers. We will use all reasonable and proper measures to protect our proprietary rights with regard to intellectual property developed during our operations. As of the Latest Practicable Date, we owned 23 trademarks and two domain names which are material and were registered in the PRC and eight trademarks which were under application for registration in Hong Kong. As of the same date, we were granted a license to use six trademarks which were registered in Hong Kong. See "Connected Transactions — (A) Fully Exempt Continuing Connected Transactions — 1. Trademark License." We rely to a significant extent on our brand name, Radiance Group (金輝集團), in marketing our properties but our business is otherwise not materially dependent on any intellectual property rights. We are not aware of any infringement of our intellectual property rights by any third parties or violation of any intellectual property rights of third parties during the Track Record Period and up to the Latest Practicable Date.

INSURANCE

We maintain or require the general contractors to maintain constructional all-risks insurance for our property development operations. We maintain insurance, including social insurance, for our employees as required by applicable laws and regulations and as we consider appropriate for our business operations. Our Directors consider that our practice is in line with the industry norm. There is a risk that we may incur uninsured losses, damage or liabilities. See "Risk Factors — Risks Relating to Our Business — We may not have adequate insurance coverage to cover risks related to our business."

SOCIAL, HEALTH, WORK SAFETY AND ENVIRONMENTAL MATTERS

Social, Health and Work Safety

In respect of social responsibilities, in particular health, work safety and social insurance, we have entered into employment contracts with our employees in accordance with the applicable PRC laws and regulations. We hire employees based on their merits and it is our corporate policy to offer equal opportunities to our employees regardless of gender, age, race, religion or any other social or personal characteristics.

We maintain social welfare insurance for our full-time employees in the PRC, including pension insurance, medical insurance, personal injury insurance, unemployment insurance and maternity insurance, in accordance with relevant PRC laws and regulations.

Our safety production management guidelines contain policies and procedures regarding work safety and occupational health issues. We provide our employees with necessary safety training, and our construction sites are equipped with safety equipment including protective gloves, boots and hats. Our project management department is responsible for recording work accidents, reporting work accidents as well as maintaining health and work safety compliance records.

In September 2019, there was a work safety accident in the construction site of one of our projects in Xi'an. At the time of the accident, the view of the driver of a truck crane operating on the construction site was blocked by the construction pit. As a result, the driver misplaced the loads on the crane, causing imbalance to the truck, and the truck crane fell over and was damaged. Nobody was injured in the accident. Jinghe New City Planning, Housing and Urban and Rural Construction Bureau (涇河新城規劃與住房城鄉建設局), or Jinghe Construction Bureau, determined that the accident was due to (i) improper operation of the truck crane by the truck crane driver; (ii) failure by the truck crane leasing company to implement necessary safety measures and assign a professional personnel on site to guide the driver; and (iii) failure by our subsidiary, Xi'an Juye Construction Engineering Co., Ltd. (西安居業建築有限公司), or Xi'an Juye, as the contractor, to implement appropriate work safety measures, in particular, to require that the truck crane leasing company take necessary safety measures to ensure safe operation of the truck crane on site. As a result, Xi'an Juye was fined RMB30,000 and another subsidiary of our Group, as the project's constructor, received a warning issued by Jinghe Construction Bureau to alert it to pay more attention to safety issue and has no other impact. The fine has been fully settled.

Xi'an Juye has obtained a confirmation letter issued by the Jinghe Construction Bureau, which our PRC Legal Advisors have confirmed to be the competent government authority, confirming that Xi'an Juye has completed the rectification and complied with the relevant laws and regulations relating to the work safety after the rectification. Based on the confirmation received, our PRC Legal Advisors are of the view that Xi'an Juye would not be subject to any additional monetary or administrative penalties by Jinghe Construction Bureau for such work safety accident. In light of the foregoing, our Directors are of the view that this work accident would not have a material operational or financial impact on us. During the Track Record Period, we did not encounter any material safety accident, there were no claims for personal or property damages and no compensation was paid to employees in respect of claims for personal or property damages related to safety accident.

To avoid similar incidents in the future, we have reviewed our existing work safety measures and have updated such measures with details and evaluation mechanisms. For example, (i) we increased the frequency of safety inspections at the group-, regional- and project-level. In particular, safety inspections at project level are conducted on a weekly basis, and we set clear time frames in responding to and rectifying any risks identified; (ii) project safety monitoring meetings are held at the group-level on a weekly basis in order to report, monitor and respond to safety risks identified in the safety inspections; (iii) we also enforce a more stringent review on the qualifications of our contractors before engaging them. Additionally, before our contractors start working on site, project companies verify their qualifications again and conduct a safety inspection of their equipment and personnel; and (iv) personnel at different levels of a project also monitor the work of the contractors to ensure that they closely follow relevant safety procedures.

Environmental Matters

We are subject to a number of environmental and safety laws and regulations in the PRC including the PRC Environmental Protection Law (中華人民共和國環境保護法), the PRC Prevention and Control of Noise Pollution Law (中華人民共和國環境噪聲污染防治法), the PRC Environmental Impact Assessment Law (中華人民共和國環境影響評價法) and the Administrative Regulations on Environmental Protection for Development Projects (建設項目環境保護管理條例). See "Regulatory Overview — X. Regulations on Environmental Protection" for details of these laws and regulations. Pursuant to these laws and regulations, we have engaged independent third-party environmental consultants to conduct environmental impact assessments at all of our construction projects, and such environmental impact assessments were submitted to relevant governmental authorities for approval before commencement of development. Upon completion of construction work, we are required to be examined by a third party designated by the relevant governmental authorities and are subject to governmental authorities' acceptance. Only property development projects which have passed such examination and acceptance can be delivered.

Under our typical construction contracts, we require our contractors to strictly comply with relevant environmental and safety laws and regulations. We inspect the construction sites regularly and require our contractors to immediately rectify any defect or non-compliance identified.

In 2017, 2018 and 2019 and the four months ended April 30, 2020, we incurred RMB11.0 million, RMB19.1 million, RMB25.4 million and RMB4.7 million, respectively, as cost for compliance with applicable environmental rules and regulations. We believe our operations do not have significant impacts on the environment and natural resources. Our Directors expect that we will continue to incur such compliance costs with respect to applicable environmental rules and regulations at a similar level. As of the Latest Practicable Date, we had not encountered any material issues in passing inspections conducted by the relevant environmental authorities upon completion of our property development projects. During the Track Record Period, no material fines or penalties were imposed on us for non-compliance of PRC environmental laws and regulations, and we had obtained all material required approvals in relation to the environmental impact reports, where applicable, for our projects under development.

EMPLOYEES

As of April 30, 2020, we had a total of 3,989 employees. Substantially all of our employees are located in the PRC. A breakdown of our employees by function as of April 30, 2020 is set forth below:

Function	Number of employees	Percentage of total employees
Management	46	1.2%
Finance	337	8.5%
Cost Management	346	8.7%
Construction Management	545	13.7%
Outreach and Development	193	4.8%
Customer Services	100	2.5%
Human Resources and Administrative	303	7.6%
Product Design and Development	284	7.1%
Sales[(1)]	978	71.4%
Marketing Cost Control and Administration[(1)]	131	9.6%
Marketing, Planning and Channel Management[(1)]	261	19.1%
Operational Management	107	2.7%
Commercial Properties Management	342	8.6%
Others	16	0.4%
Total	3,989	100.0%

Note:

(1) Employees under these divisions are our sales and marketing personnel. They mainly conduct sales activities, organize promotional events, and conduct cost control in sales and marketing activities.

We believe that the successful implementation of our growth and business strategies rests on a team of experienced, motivated and well-trained managers and employees at all levels. We recruit employees from well-known universities in the PRC. As of April 30, 2020, approximately 60.5% of our employees had a bachelor's degree or above. We have implemented systematic, specialty-focused vocational training programs for our employees at different levels on a regular basis to meet different requirements and emphasize individual initiative and responsibility. The details of these programs are as follows:

- *"Radiance Kickstart Program" ("輝動力計劃").* We target our "Radiance Kickstart Program" toward entry-level employees who are management trainees hired through our campus recruitment programs. We provide introductory courses covering, including general knowledge about our business lines, our corporate culture and the property development industry.

- *"Radiance Wing Program" ("金翼計劃").* We target our "Radiance Wing Program" toward junior-level management personnel, who are generally managers of functional departments at city or regional levels. We provide training sessions that aim to help our junior-level management personnel to further improve their technical skills and transit into managerial positions.

- *"Radiance Leader Program" ("千里馬計劃").* We target our "Radiance Leader Program" toward mid-level management personnel. Radiance Leader Program 1.0 is designed for general managers of our projects, and Radiance Leader Program 2.0 is designed for general managers of our city companies. We provide advanced training sessions including case studies about project management, corporate culture and human resource management. We also invite our experienced employees to share their experience about management and provide courses that aim to assist employees in succeeding in their managerial positions.

- *"Radiance Captain Program" ("艦長計劃").* We target our "Radiance Captain Program" toward senior-level management personnel. We aim at broadening the perspectives of these senior management personnel which to strengthen our overall management quality.

We have woven into our training program mentorship, assessment, feedback and evaluation procedures for our employees to facilitate their growth and development. We believe that our training programs, combined with on-the-job learning, facilitate advancement of our employees.

The remuneration package of our employees includes salary, bonus and other cash subsidies. In 2017, 2018 and 2019 and the four months ended April 30, 2020, we incurred employee costs (including Directors) of RMB421.1 million, RMB558.3 million, RMB681.6 million and RMB148.9 million, respectively, representing approximately 3.6%, 3.5%, 2.6% and 5.1% of our revenue, respectively, during those periods. In general, we determine employee salaries based on each employee's qualification, position and seniority. We have designed an annual review system to assess the performance of our employees, which forms the basis of our determination on salary raises, bonuses and promotions. As required by PRC regulations, we make contributions to mandatory social security funds for the benefit of our PRC employees that provide for pension insurance, medical insurance, unemployment insurance, personal injury insurance, maternity insurance and housing funds. During the Track Record Period, we failed to make sufficient social insurance fund and housing provident fund contributions on certain occasions. See "— Legal Proceedings and Compliance — Compliance with Laws and Regulations — Non-compliance Incidents — Failure to Make Adequate Social Insurance and Housing Provident Fund Contributions."

Our employees do not negotiate their terms of employment through any labor union or by way of collective bargaining agreements. As of the Latest Practicable Date, no labor dispute had occurred which materially and adversely affected or was likely to have a material and adverse effect on our operations.

LEGAL PROCEEDINGS AND COMPLIANCE

Ongoing Legal Proceedings

We have been involved in legal proceedings or disputes in the ordinary course of business, including claims primarily relating to disputes arising from property purchase contracts with our customers. Save as disclosed below, as of the Latest Practicable Date, we were not involved in any litigation, arbitration or administrative proceedings, claims or disputes which had a material adverse effect on our financial condition or results of operation.

Arbitration with Yancheng Land Administrative Authorities

On July 26, 2011, one of our project companies, Yancheng Jinhui Juye Real Estate Development Co., Ltd. (鹽城金輝居業房地產開發有限公司), or Yancheng Jinhui, entered into two land use right grant contracts, or the Land Grant Contracts, with Yancheng Bureau of Land Resources (鹽城市國土資源局) in connection with two land parcels with an aggregate site area of 274,723 sq.m. for development of residential property projects. One of the conditions specified in the Land Grant Contracts is that Yancheng Jinhui shall develop certain medium or low price residential properties, or the Medium-or-Low-Price Residential Properties (中低價位商品房), on the two land parcels and sell them to the local government at a lower price when completed. Such lower price shall be 90% of the then selling price of residential properties at similar location, and the final price set shall be approved by Yancheng Bureau of Price (鹽城市物價局). The Medium-or-Low-Price Residential Properties shall have an aggregate GFA of not less than 15% of the aggregate GFA of properties constructed on these two land parcels.

The local government designated Yancheng Chengnan New Area Construction Bureau (鹽城市城南新區建設局), or Yancheng Construction Bureau, to undertake the construction of the Medium-or-Low-Price Residential Properties. On July 28, 2011, Yancheng Jinhui entered into a construction arrangement agreement (中低價位商品房代建協議), or the Construction Arrangement Agreement, with Yancheng Construction Bureau, under which Yancheng Jinhui shall pay the designated construction contractor, Yancheng Construction Bureau, a construction fee of approximately RMB38.2 million. In the event that Yancheng Jinhui fails to pay the construction fee in full on time, Yancheng Jinhui shall be obligated to construct and deliver the Medium-or-Low-Price Residential Properties to Yancheng Construction Bureau.

Under the Construction Arrangement Agreement, Yancheng Jinhui shall pay the entire amount of the construction fee to Yancheng Construction Bureau within 30 days after the agreement was entered into. Given that the relevant property project was developed in phases, Yancheng Jinhui sought to pay the construction fee to Yancheng Construction Bureau in installment instead. As Yancheng Jinhui continued to explore payment alternatives with Yancheng Construction Bureau, it did not pay the construction fee to Yancheng Construction Bureau within such 30-day period. As a result, Yancheng Construction Bureau did not construct the Medium-or-Low Price Residential Properties, and these properties were not delivered. In August 2019, Yancheng Chengnan New Area Construction No. 1 Bureau (鹽城市城南新區建設一局), or Yancheng No. 1 Bureau, an entity spun off from Yancheng Construction Bureau, appealed to Yancheng Arbitration Commission, requesting Yancheng Jinhui to deliver the Medium-or-Low-Price Residential Properties with an aggregate GFA of 64,658.4 sq.m. at a price of RMB4,100 per sq.m. The first hearing was held on December 13, 2019. We were notified by the Yancheng Arbitration Commission that, on January 19, 2020, Yancheng No. 1 Bureau changed its request to termination of contracts and compensation of losses (including liquidated damages) caused by the breach of the Construction Arrangement Agreement. The case is currently pending for the arbitration results of Yancheng Arbitration Commission.

Zhong Lun Law Firm (Nanjing), our PRC counsel advising us on the arbitration, is of the view that Yancheng No.1 Bureau shall, after going through requisite internal procedures, provide Yancheng Jinhui with specific requirements with respect to the properties as well as construction plans, and shall enter into purchase agreement with Yancheng Jinhui. Yancheng Jinhui can only deliver the properties upon the fulfilment of the above procedures by Yancheng No.1 Bureau. Furthermore, Yancheng Jinhui could no longer deliver such Medium-or-Low-Price Residential Properties, since all residential properties in dispute had already been sold as of December 17, 2019. Zhong Lun Law Firm (Nanjing) is also of the view that given the background for entry into and the agreement reached in the Construction Arrangement Contract, should we fail to prevail in this case, a fair and reasonable way to calculate the arbitration award, i.e., the average selling price of the relevant property projects developed on the two land parcels after a 10% price discount (reflecting the 90% selling price pursuant to the Land Grant Contracts) times the aggregate GFA of the Medium-or-Low-Price Residential Properties, would reach a liquidated damage of approximately RMB50.0 million, and, considering possible variations in calculations, any liquidated damage of less than RMB60.0 million would be fair and reasonable. We have made a provision of RMB50.0 million. Our Directors are of the view that the amount of provision we have made would not have a material operational or financial impact or other adverse effect on us. Based on the foregoing, our PRC Legal Advisors, Jingtian & Gongcheng, are of the view that the arbitration would not have any material adverse effect on our Group.

Litigation Relating to Delays in Obtaining Property Ownership Certificates by Property Purchasers

As of the Latest Practicable Date, a total of 171 property purchasers of Longyuan (瓏園) Project had filed lawsuits against Fuzhou Jinhui Juye Properties Co., Ltd. (福州金輝居業房地產有限公司), or Fuzhou Jinhui Juye, with respect to delays in obtaining property ownership certificates with the People's Court of Fuzhou Jin'an District (福州晉安區人民法院), or the Jin'an Court. The Jin'an Court commenced the hearing with respect to claims raised by 99 property purchasers, and ruled that Fuzhou Jinhui Juye shall pay damages in an aggregate amount of approximately RMB5.5 million to these 99 property purchasers. Fuzhou Jinhui Juye appealed after the hearing. As of the date of the Prospectus, the appellate trial remains pending. With respect to the claims raised by the other 72 property purchasers, the trial remains pending as of the date of this Prospectus.

The plaintiffs in the lawsuits alleged that Fuzhou Jinhui Juye failed to assist them in obtaining property ownership certificates in a timely manner after delivering the relevant properties. The plaintiffs demanded that Fuzhou Jinhui Juye shall pay a damage equal to 0.01% of the contract price of the relevant properties per day from the date which is 365 days after the property delivery date to the date on which the relevant property ownership certificate is obtained.

The background information that led to the claims is set forth below:

- Fuzhou Jinhui Juye acquired the land parcel for developing Longyuan Project in Fuzhou through a public tender and auction organized by local government in July 2015. When Fuzhou Jinhui Juye began applying for the land use rights certificate for the land parcel in early 2016, it found that the land use rights for approximately 1,000 sq.m. of the land parcel were held by an Independent Third Party. Fuzhou Jinhui Juye was not aware of such overlap of land use rights when it acquired the land parcel through public tender and auction.

- The construction of Longyuan Project was completed in March 2019. Fuzhou Jinhui Juye delivered the properties of Longyuan Project as scheduled in August 2019. However, it was unable to assist the relevant property purchasers of properties of Longyuan (瓏園) Project located on the land parcel including that 1,000 sq.m. land parcel in obtaining property ownership certificates in a timely manner as agreed in the relevant purchase agreements due to the title defects of the land parcel. Consequently, the relevant property purchasers experienced an approximately seven-month delay in obtaining property ownership certificates. All property purchasers had been able to apply for property ownership certificates since late March 2020 as the overlapped land use rights had been cleared.

Guantao Law Firm Fuzhou Office, our PRC counsel advising us on the litigation, is of the view that pursuant to relevant PRC laws and regulations and the purchase agreements Fuzhou Jinhui Juye entered into with the relevant property purchasers, it would be liable for delays in obtaining property ownership certificates by the relevant property owners only if such delays were caused by its fault. As discussed above, Fuzhou Jinhui Juye was unable to assist the relevant property purchasers in obtaining property ownership certificates in a timely manner because of the title defects, which were due to reasons not related to Fuzhou Jinhui Juye. Although such failures were due to reasons not related to Fuzhou Jinhui Juye, the relevant property purchasers were unable to seek damages from the parties causing such defects as they were not parties to the purchase agreements. Taking into consideration the fact that Fuzhou Jinhui Juye failed to assist the relevant property purchasers in obtaining property ownership certificates during the specified period, as advised by our PRC Legal Advisors, the relevant property purchasers are entitled to seek liquidated damages from Fuzhou Jinhui Juye for breach of contracts as it is stipulated in the relevant purchase agreements that Fuzhou Jinhui Juye shall assist the property purchaser in obtaining property ownership certificates within 365 days after the property delivery date, otherwise Fuzhou Jinhui Juye shall pay a damage equal to 0.01% of the contract price of the relevant properties per day from the date which is 365 days after the property delivery date to the date on which the relevant property ownership certificates are obtained. Additionally, given that such failures were due to reasons not related to Fuzhou Jinhui Juye, Guantao Law Firm Fuzhou Office is of the view that the appellate court may lower the damage to a daily rate of 0.005% of the contract price of the relevant properties for the delayed period. In such an event, the total damages Fuzhou Jinhui Juye may need to pay for claims raised by these property purchasers would be approximately RMB5.6 million through trials and approximately RMB9.4 million through settlements. We made a provision of RMB15.0 million for the four months ended April 30, 2020. Our Directors are of the view that the amount of provision we have made would not have a material impact on us. Based on the foregoing, our PRC Legal Advisors, Jingtian & Gongcheng, are of the view that the litigation would not have any material adverse effect on our Group.

To avoid similar incidents in the future, we adopted remedial internal control measures. To ensure properly acquisition of land parcel, we designate relevant personnel to conduct due diligence work before participating in land auctions and tenders. We conduct title search and site visit to minimize the risk of obtaining land parcels with title defects. We have already established a "Group Key Project Plan Management Policy" since 2018 for regional companies to strictly monitor the key milestones including the application of property ownership certificates. To monitor the status of the key milestones, we also implemented a procedure to report the progress to our senior management. Specifically, we established a monitoring system which records and monitors the key milestones of our property projects. When the deadline of each key milestone is approaching or met, an alarm is automatically sent to responsible parties of the project, the regional company and the Group's operation management center. If any deadline is missed, the system will keep reminding for follow-up meetings until the overdue cases are resolved, which aims to ensure that the required certificates, including property ownership certificates, are obtained in a timely manner. In addition, we also arranged a training session in March 2020 to ensure that the responsible personnel at regional- and project company-level understand the relevant requirements. With the above enhanced internal control measures adopted by the Group, our Internal Control Consultant are of the view that such measures are adequately and effectively designed to reasonably prevent such litigation incidents from taking place in the future.

Compliance with Laws and Regulations

During the Track Record Period and up to the Latest Practicable Date, we had, in all material respects, complied with all the relevant and applicable PRC laws and regulations governing the business of property development and management and we had obtained all material licenses, permits and certificates for the purpose of operating our business.

Non-compliance Incidents

During the Track Record Period, we experienced certain non-compliance incidents. Summaries of such incidents are set forth below.

Commencement of Construction Works prior to Obtaining the Requisite Work Permit/Approval

During the Track Record Period, we commenced or proceeded with construction works for certain of our projects before completing requisite administrative procedures and/or obtaining requisite permits at various stages of the construction. During the Track Record Period and up to the Latest Practicable Date, 22 of our project companies proceeded with construction works before obtaining requisite construction work planning permits and requisite construction work commencement permits.

During the Track Record Period and up to the Latest Practicable Date, these project companies were imposed monetary penalties for the above-mentioned non-compliances in an aggregate amount of approximately RMB15.8 million, all of which had been settled as of the Latest Practicable Date.

We believe such non-compliances occurred primarily because (i) the construction contractors commenced construction preparation or the relevant construction works according to the development schedule as agreed in the construction contracts but the formalities, such as the issuance of the relevant construction work planning and/or commencement permits, were not completed in time pursuant to the original schedule; (ii) we failed to adequately train our local employees to understand the differences in implementing or interpreting the relevant PRC laws and regulations among different local government authorities, which resulted in inconsistent standards in recognizing certain construction stages in practice, therefore, inconsistent time requirements for completing the relevant administrative procedures, such as the application for the construction work commencement permits, and our employees relied on their past experience in other cities without reconfirming local policies; and (iii) we failed to adequately train our employees at the project company level to execute our internal control policies to supervise the construction processes.

Based on confirmation letters issued by the competent regulatory authorities or as advised by our PRC Legal Advisors that pursuant to the relevant applicable regulations, these non-compliance incidents are immaterial. In addition, our project companies at issue had fully settled the penalties and rectified the non-compliances as of the Latest Practicable Date. Based on the foregoing, our PRC Legal Advisors are of the view that the risk that these companies will be subject to further administrative penalties for these non-compliance incidents is remote. Our Directors considered that such non-compliance would not have a material operational or financial impact on us.

Inappropriate Advertising, Pricing and Pre-sales

During the Track Record Period, certain of our project companies were penalized by the relevant local government authorities for inappropriate advertising, pricing and pre-sales activities. Specifically, (i) four project companies published inappropriate and false advertisements; (ii) three of our project companies failed to clearly mark the selling price following the specific content and method requirements or failed to adjust the selling price in accordance with relevant regulations; and (iii) one project company commenced pre-sales before obtaining the pre-sales permit. The relevant project companies were requested to cease such inappropriate advertising, pricing and pre-sales activities and pay penalties in an aggregate amount of approximately RMB2.3 million. We had settled all such penalties in full and adopted remedial measures promptly as required by the relevant authorities as of the Latest Practicable Date.

We believe that such non-compliances occurred primarily because (i) we placed advertisements and used standardized marketing materials across different locations but our marketing personnel failed to fully understand the differences in the implementation or interpretation of the relevant laws and regulations on advertising and marketing among different cities which resulted in inconsistent standards in determining the appropriate choice of words or advertisement formats in practice; and (ii) we failed to adequately train and educate our marketing personnel to comply with our policies as well as local laws and regulations regarding advertising, pricing and pre-sales activities, especially those newly recruited in new cities where we had just entered into.

Based on confirmation letters issued by the competent regulatory authorities confirming that the relevant non-compliance incidents were immaterial or the relevant project companies had rectified the non-compliances and such penalties were not material, or as advised by our PRC Legal Advisors that pursuant to the relevant applicable regulations, these non-compliance incidents are immaterial.

Taking into account (i) the confirmation letters from the relevant competent regulatory authorities; and (ii) the fact that our project companies at issue had fully settled the penalties and rectified the non-compliances as of the Latest Practicable Date, our PRC Legal Advisors are of the view that the risks that these companies will be subject to further administrative penalties for these non-compliance incidents are remote. Our Directors considered that such non-compliance would not have a material operational or financial impact on us.

Failure to Make Adequate Social Insurance and Housing Provident Fund Contributions

As of December 31, 2017, 2018, 2019 and April 30, 2020 and the Latest Practicable Date, 35, 44, 32, 33 and nil of our subsidiaries failed to make adequate social insurance contributions for a total number of 377, 454, 148, 129 and nil employees, respectively, as required by relevant PRC laws and regulations. As of the same dates, 29, 34, 22, 20 and nil of our subsidiaries failed to make adequate housing provident fund contributions for a total number of 327, 385, 68, 48 and nil employees, respectively. Such non-compliances occurred primarily because (i) there was miscommunication between our departments; (ii) there were differences in implementation or interpretation of the relevant PRC laws and regulations by local government authorities and lack of understanding by the responsible persons from human resources department of these companies of the relevant PRC laws and regulations; and (iii) certain employees voluntarily made the decision not to make such contributions at the locations in which our subsidiaries are situated, because they have made such contributions in other cities or districts mainly due to personal or family reasons.

If any of the social insurance authorities is of the view that our contributions to social insurance do not satisfy the requirements under the relevant PRC laws and regulations, we may be ordered to pay the social insurance in arrears within a prescribed period and be subject to an overdue penalty on delinquent payment of social insurance contributions calculated at a daily rate of from 0.05% onwards. If we fail to make such payments, we may be liable to a penalty of one to three times the amount of the outstanding contributions. Accordingly, the maximum penalty that may be imposed on us is RMB38.0 million, if we fail to make required payment within the prescribed period, three times the shortfall of our social insurance contribution of approximately RMB12.7 million as of April 30, 2020. As of the Latest Practicable Date, we had not been subject to any material penalty for inadequate social insurance contributions or received any notice from the relevant governmental authorities requiring us to rectify the shortfall.

If any of the relevant housing provident fund authorities is of the view that our contributions to the housing provident fund do not satisfy the requirements under the relevant PRC laws and regulations, it may order us to pay the outstanding balance within a prescribed period. If we fail to do so within the prescribed period, the relevant housing provident fund authority may apply to a PRC court for an order of mandatory payment. As of the Latest Practicable Date, we had not been subject to any penalty for inadequate housing provident fund contributions or received any notice from the relevant governmental authorities requiring us to rectify the shortfall. We have obtained an indemnity from our Controlling Shareholders to indemnify us against any claims, fines and other liabilities arising from such non-compliances.

Our Directors confirm that (i) we have taken all practicable measures and requested those employees who voluntarily chose not to make social insurance and housing provident fund contributions to transfer their social insurance and housing provident fund accounts to the districts or cities where our relevant offices are located, so that we could make such contributions as soon as possible after such employees have fulfilled the relevant personal or family needs; (ii) except for the employees listed in (i) above, (a) we have made contributions for all of our employees and there are no disputes related to social insurance or housing provident fund contributions; (b) as of the Latest Practicable Date, we had not received any notification from the relevant PRC authorities requiring us to pay material shortfalls or the penalties with respect to social insurance and housing provident funds; (c) during the Track Record Period and up to the Latest Practicable Date, we had not been subject to any material administrative penalties, nor were we aware of any material employee complaints nor were involved in any material labor disputes with our employees with respect to social insurance and housing provident funds; and (d) we will make full contributions or to pay the shortfall within a prescribed time period if demanded by the relevant PRC authorities or by our employees; and (iii) we have made provisions of RMB19.1 million, RMB23.2 million, RMB19.8 million and RMB17.8 million for the social insurance and housing provident fund contribution shortfall in 2017, 2018 and 2019 and the four months ended April 30, 2020, respectively, which covered all the outstanding amount of social insurance and housing provident fund contribution to be settled; and (iv) we have obtained an indemnity from our Controlling Shareholders to indemnify us against any claims, fines and other liabilities arising from such non-compliances. In addition, we have received written confirmations from the relevant competent governmental authorities for the subsidiaries with employees that voluntarily made the decision not to make social insurance or housing provident fund contributions at the locations where the subsidiaries are situated. These written confirmations confirmed that such subsidiaries (i) had not been imposed any penalty in relation to social insurance fund or housing provident fund contributions; (ii) had no record of violating the relevant laws and regulations; or (iii) had made the social insurance fund or housing provident fund contributions in accordance with relevant laws and regulations. Based on the foregoing, our PRC Legal Advisors are of the view that the risk that we would be subject to material administrative penalties by relevant authorities is relatively low. As such, our Directors consider that this non-compliance would not have a material operational or financial impact on us.

Non-compliance Incidents in Relation to Pre-sale Proceeds

During the Track Record Period, certain of our subsidiaries were involved in incidents relating to pre-sale proceeds, or the Pre-sale Proceeds Incidents.

Failure to Fully or Directly Deposit the Required Amounts into Designated Escrow Accounts

During the Track Record Period, we failed to fully or directly deposit the required amounts of pre-sale proceeds into the designated escrow accounts in accordance with relevant regulatory requirements for certain projects. The detailed quantitative information in relation to the Group's deposit of pre-sale proceeds are set forth below:

	For the year ended December 31,			For the four months ended
	2017	2018	2019	April 30, 2020
	(RMB'000)			
Pre-sale proceeds received	19,880,574	31,796,451	40,372,441	7,728,934
Pre-sale proceeds required to be deposited	13,294,097	27,587,324	35,922,748	6,750,048
Pre-sale proceeds actually deposited[1]	6,265,342	13,787,145	26,083,384	4,576,560
Pre-sale proceeds not fully deposited as required	7,028,755	13,800,179	9,839,364	2,173,488

Note:

(1) Include pre-sale proceeds that were indirectly deposited of RMB4,797.8 million, RMB7,837.5 million, RMB13,594.8 million and RMB1,502.4 million, respectively, in 2017, 2018 and 2019 and the four months ended April 30, 2020.

Pre-sale proceeds that were indirectly deposited into the designated escrow accounts accounted for approximately 36.1%, 28.4% 37.8% and 22.3% of the pre-sale proceeds required to be deposited in designated escrow accounts in 2017, 2018, 2019 and the four months ended April 30, 2020, respectively. Such amounts were first deposited into the relevant project companies' general bank accounts and then subsequently transferred to the designated escrow accounts. Pre-sale proceeds that were not deposited in full into the designated escrow accounts were also deposited in the relevant project companies' general bank accounts and were used for the respective projects, which was in compliance with the relevant laws and regulations save for as disclosed in "— Utilization of Pre-Sale Proceeds Beyond Permitted Scope of Usage Under Relevant Local Regulations and Policies." Such amounts accounted for approximately 52.9%, 50.0%, 27.4% and 32.2% of the pre-sale proceeds required to be deposited in designated escrow accounts in 2017, 2018, 2019 and the four months ended April 30, 2020, respectively.

In 2017, 2018 and 2019 and the four months ended April 30, 2020, 19, 36, 55 and 48 of our subsidiaries, respectively, did not fully or directly deposit the required amounts of pre-sale proceeds into the designated escrow accounts in accordance with relevant regulatory requirements with respect to 20, 38, 58 and 49 projects, respectively. Such incidents occurred primarily due to the following reasons:

(a) during the Track Record Period, certain subsidiaries did not deposit the pre-sale proceeds received into the designated escrow accounts since the relevant pre-sales contracts were not registered in time due to local governments' limit on the number of pre-sales contracts registerable during a given period. The limit on the number of pre-sale contracts registerable is typically a guidance policy adopted by certain local government authorities during a given period of time in order to promote the healthy development of the local real estate markets, and as advised by our PRC Legal Advisors, there is no specific requirement in relation to the limit on the number of pre-sale contracts registerable under the relevant PRC laws and regulations. According to the relevant judicial interpretation issued by the Supreme People's Court, failure to complete the filing and registration procedures for a pre-sale contract will not affect the validity of such pre-sale contract. During the Track Record Period and up to the Latest Practicable Date, except as disclosed in this Prospectus with respect to commencement of pre-sales before obtaining the pre-sale permit by one subsidiary, all of our subsidiaries commenced pre-sales for the relevant property projects and entered into pre-sales contracts in compliance with the relevant PRC laws and regulations. See "— Legal Proceedings and Compliance — Compliance with Laws and Regulations — Non-compliance Incidents — Inappropriate Advertising, Pricing and Pre-sales." We have also obtained confirmation letters from the competent governmental authorities, confirming that the relevant subsidiaries had complied with the relevant laws and regulations in relation to pre-sales or had not been penalized for violating the relevant laws and regulations in relation to pre-sales. Based on the foregoing, our PRC Legal Advisors are of the view that our entering into pre-sale contracts exceeding the limit set by relevant local governmental authorities was in full compliance with the relevant laws and regulations.

(b) certain mortgage banks did not directly deposit mortgage loans into our designated escrow accounts opened with other banks for relevant pre-sold properties, which we understand was due to the internal policies and/or technical reasons of such mortgage banks, and deposited such mortgage loans into our general banking accounts with such mortgage banks. Pursuant to applicable local regulations and procedures, for each project or in some cities, each pre-sale permit, a project company may only open one designated escrow account with one bank, but maintains general corporate accounts in different banks for the convenience of business transactions. For those mortgage banks where a project company maintains general corporate accounts, we understand that they typically prefer to deposit loan proceeds to the project company's general corporate account opened with the relevant mortgage bank itself, rather than deposit the loan proceeds to the project company's designated escrow account opened with another bank. During the Track Record Period, all mortgage banks we worked with were licensed PRC commercial banks. According to our Industry Consultant, JLL, in the cities where the our projects are located, some mortgage banks may choose to deposit mortgage loan proceeds into bank accounts maintained with themselves, rather than to the relevant subsidiaries' designated escrow accounts maintained with other banks. We understand such mortgage banks generally applied their internal guidance to all enterprises, including other property developers, which maintained general corporate accounts in such mortgage banks. Based on the foregoing, we believe such restriction is common among mortgage banks in China.

(c) as construction progress with respect to certain pre-sold properties had already fulfilled conditions for withdrawals from the designated escrow accounts, and certain responsible personnel lacked understanding of the relevant requirements under the relevant PRC laws and regulations, we did not deposit the pre-sale proceeds received from such pre-sold properties into designated escrow accounts after fulfilment of conditions for withdrawals first.

Our failures to directly deposit the pre-sale proceeds into the designated escrow account were primarily due to reasons (a) and (b) set forth above, and the respective amount of pre-sale proceeds involved was RMB4,797.8 million, RMB7,837.5 million, RMB13,594.8 million and RMB1,502.4 million in 2017, 2018, 2019 and the four months ended April 30, 2020, respectively. Our failures to fully deposit the pre-sale proceeds into the designated escrow account were primarily due to reason (c) set forth above, and the amount involved was RMB7,028.8 million, RMB13,800.2 million, RMB9,839.4 million and RMB2,173.5 million in 2017, 2018, 2019 and the four months ended April 30, 2020, respectively.

Among the pre-sale proceeds that were not fully or directly deposited into the designated escrow accounts as required in 2017, 2018 and 2019 and the four months ended April 30, 2020 of RMB11,826.6 million, RMB21,637.6 million, RMB23,434.2 million and RMB3,675.9 million, respectively, RMB4,797.8 million, RMB7,837.5 million, RMB13,594.8 million and RMB1,502.4 million, respectively, was subsequently transferred to the designated escrow accounts for the relevant projects. During the same periods, pre-sale proceeds of RMB7,028.8 million, RMB13,800.1 million, RMB9,839.4 million and RMB2,173.5 million were not subsequently transferred to the designated escrow accounts. See the detailed quantitative information in relation to the Group's deposit of pre-sale proceeds in "— Failed to Fully or Directly Deposit the Required Amounts into Designated Escrow Accounts." The relevant subsidiaries did not subsequently transfer full amounts involved into the relevant designated escrow accounts because (i) certain property projects or certain portions of the relevant projects had been completed and delivered, and restrictions on pre-sales proceeds generated from these properties, including the requirements that required amounts of pre-sale proceeds shall be deposited into the designated escrow accounts were actually released, and it was no longer necessary to deposit the relevant pre-sale proceeds; (ii) sufficient balance had been maintained above the required threshold in the relevant designated escrow accounts; and (iii) construction progress with respect to the relevant pre-sold properties had already fulfilled conditions for withdrawals from the designated escrow accounts when the relevant subsidiaries received such pre-sale proceeds.

Utilization of Pre-Sale Proceeds Beyond Permitted Scope of Usage Under Relevant Local Regulations and Policies

As of December 31, 2017, 2018 and 2019 and April 30, 2020, three, three, five and five of our subsidiaries, respectively, utilized pre-sale proceeds beyond permitted scope of usage under the relevant local regulations and policies with respect to three, three, five and five projects, respectively. As of the same date, the accumulated amount of pre-sales proceeds within permitted scope of use by these subsidiaries amounted to RMB2,307.4 million, RMB808.7 million, RMB2,508.2 million and RMB3,205.9 million, respectively, and the accumulated amount of pre-sales proceeds actually used by these subsidiaries, which included pre-sale proceeds that had not been deposited into the designated escrow accounts as well as those withdrawn from the designated escrow accounts, amounted to RMB4,471.2 million, RMB3,815.1 million, RMB5,726.2 million and RMB5,933.5 million, respectively.

Such incidents were mainly due to lack of understanding by the responsible personnel of the requirements under the relevant PRC laws and regulations. The accumulated amount of pre-sale proceeds utilized beyond permitted scope of use for these subsidiaries as of December 31, 2017, 2018 and 2019 and April 30, 2020 due to this reason amounted to RMB2,163.8 million, RMB3,006.4 million, RMB3,218.0 million and RMB2,727.6 million, respectively, which accounted for approximately 6.0%, 5.0%, 3.5% and 3.4% of the accumulated pre-sale proceeds we utilized as of the same dates, respectively. All such amounts utilized beyond permitted scope of use were utilized to settle property development or other related expenses of the respective projects, including repayment of borrowings, return of prior funding support from shareholders, tax payments and other operational needs.

Failure to Maintain Sufficient Cash Balances

As of December 31, 2017, 2018 and 2019 and April 30, 2020, we failed to maintain sufficient cash balances in the designated escrow accounts above the required regulatory thresholds in compliance with the relevant local regulations and policies for certain projects. The detailed quantitative information in relation to the Group's remaining balance of pre-sale proceeds maintained at all designated escrow accounts are set forth below:

	As of December 31,			As of April 30,
	2017	2018	2019	2020
	(RMB'000)			
Required remaining balance of pre-sale proceeds	1,148,924	2,781,219	2,556,333	2,582,557
Actual remaining balance of pre-sale proceeds	1,005,216	2,748,578	3,748,182	3,883,643

As of December 31, 2017, 2018 and 2019 and April 30, 2020, three, six, one and nil of our subsidiaries, respectively, did not maintain sufficient cash balances in the designated escrow accounts above the required regulatory thresholds in compliance with the relevant local regulations and policies with respect to four, eight, one and nil projects, respectively. Such incidents were due to lack of understanding by the responsible personnel of the requirements under the relevant PRC laws and regulations. The total amount of the shortfall of pre-sale proceeds of such subsidiaries as of December 31, 2017, 2018 and 2019 and April 30, 2020 due to this reason amounted to RMB309.9 million, RMB631.6 million, RMB4.5 million and nil, respectively. The shortfall of the pre-sale proceeds required to be maintained in the designated escrow accounts of such subsidiaries as of December 31, 2017, 2018 and 2019 and April 30, 2020 accounted for approximately 27.0%, 22.7%, 0.2% and nil of the total pre-sale proceeds required to be maintained in the designated escrow accounts as of the same dates, respectively.

The amounts of the pre-sale proceeds involved in the three types of Pre-sale Proceeds Incidents were arrived at after considering the specific regulatory requirements in the PRC in respect of (i) the amount of the pre-sale proceeds required to be deposited; (ii) the amount of pre-sale proceeds which can be utilized and the exact scope of permitted utilization; and (iii) the minimum balance of pre-sale proceeds to be maintained based on the location of each project. Each type of Pre-sale Proceeds Incident is assessed individually according to the relevant regulatory requirements in the PRC. Thus, there is no arithmetical relationship among the amounts of the pre-sale proceeds involved in the three types of Pre-sale Proceeds Incidents.

Current Status of Projects Involved in the Pre-sale Proceeds Incidents and Our Rectifications

As of July 31, 2020, among the 67 property development projects involved in the Pre-sale Proceeds Incidents during the Track Record Period, one had been disposed of, 19 had completed construction, 14 had been partially completed, and 33 were under development. For those projects that have yet to be completed and delivered, we have sufficient working capital to complete and deliver the pre-sold units to the property purchasers by the scheduled date of delivery. For the project that had been disposed of and the 19 projects mentioned above that had completed construction, during the development of these projects, we gradually applied for withdrawal of pre-sale proceeds from designated escrow accounts in accordance with the construction progress pursuant to relevant laws and regulations, and there were surplus funds remained in the designated escrow account of the disposed project by the time of disposal and in the escrow account of each of the 19 projects by the time of construction completion. For the disposed project, we disposed it in June 2019 to an Independent Third Party together with the surplus funds in the designated escrow accounts as such funds were part of the project company's assets. For the 19 completed projects, given that the restrictions on the use or withdrawal of pre-sales proceeds deposited in the designated escrow accounts would be released following completion of such properties or completion of the relevant registration procedures with the relevant government authorities regarding such properties, as advised by our PRC Legal Advisors, the surplus funds in the designated escrow accounts would no longer be restricted in terms of withdrawal or use upon release of the restrictions, and accordingly, we would not be required to maintain such surplus funds in the relevant accounts and can use the funds for general working capital or other purposes.

During the Track Record Period, for cities where pre-sale proceeds are classified into key escrow funds and general escrow funds and we had property projects, such as Hefei and Yangzhou, all key escrow funds were used to fund the property development costs of the respective projects. Though the use of general escrow funds is not strictly restricted, our general escrow funds were also primarily used to fund costs and expenses of the respective projects, including repayment of borrowings, payments for construction of basic and ancillary facilities, tax payments, funding of other operational needs, general working capital and return of prior funding support from shareholders. For example, a portion of general escrow funds may be used to make advances to and repay advances from shareholders in proportion of shareholding interests of such subsidiaries. For cities where pre-sale proceeds are not classified into key escrow funds and general escrow funds and we had property projects, such as Quanzhou and Shenyang, we used pre-sale proceeds to fund the property development costs and other related expenses of the respective projects, including repayment of borrowings, construction costs, construction material costs, equipment installation costs and costs for the construction of basic and ancillary facilities, return of prior funding support from shareholders, tax payments and general working capital. During the Track Record Period, certain of our non-wholly owned subsidiaries made advances to its shareholders in proportion of their respective shareholding interests using pre-sale proceeds. Our non-wholly owned subsidiaries only made such advances using pre-sale proceeds where (i) the relevant pre-sales proceeds had been utilized within the limit of the permitted amounts; (ii) required threshold of pre-sale proceeds was maintained in the designated escrow account; and (iii) such pre-sale proceeds are general escrow funds with no use restrictions. As advised by our PRC Legal Advisors, such practice is in compliance with applicable laws and regulations with respect to pre-sale proceeds.

Taking into account the amount of pre-sale proceeds that are expected to be generated from property projects we had as of July 31, 2020, and on the basis that our pre-sale proceeds would be deposited and utilized in a fully compliant manner, all of the property projects we had as of July 31, 2020 are expected to generate aggregate cash surplus sufficient to support the development of our property projects going forward.

Additionally, we would be able to use our unutilized credit facilities to guarantee the sufficiency of working capital to fund our property development at all material time if we had fully complied with all applicable PRC laws and regulations on pre-sale proceeds. In particular, we would use our unutilized credit facilities for the first and second quarters of 2018 and incur extra financing costs of RMB119.7 million for 2018, assuming that the pre-sale proceeds can be withdrawn within three months after being deposited into the designated escrow accounts. Further, considering that the interest coverage ratios would be 1.1 times after giving effect to additional financing costs as discussed above, which would be relatively stable compared to our historical interest coverage ratio of 1.2 times for 2018, the Directors are of the view that such additional financing costs would not have had a material adverse impact on our financial performance during the Track Record Period.

Our Directors confirm that after March 1, 2020 and up to the date of this Prospectus, all of our subsidiaries have (i) had deposited the pre-sale proceeds received during such period into the designated escrow accounts as required in full directly and indirectly; (ii) utilized pre-sale proceeds received during such period in compliance with the relevant regulations; and (iii) maintained the required balance of pre-sale proceeds in the relevant designated escrow accounts throughout the period. Based on the foregoing, our Directors are of the view, and our internal control consultant, RSM Consulting (Hong Kong) Limited, concurs that, the enhanced internal control measures adopted by the Group, are adequately and effectively designed to reasonably prevent such Pre-sale Proceeds Incidents from taking place in the future. Therefore, our Directors believe that save for the limited situations of indirect deposit of pre-sale proceeds due to internal policies or technical issues of mortgage banks and/or limit on registration of pre-sale contracts imposed by certain local governmental authorities, which may require us to manually transfer the relevant pre-sale proceeds in accordance with our enhanced internal control measures, we have fully complied with all the relevant applicable national and local laws and regulations relating to pre-sale proceeds in all material aspects.

National and Local Level Laws in Relation to Pre-sale Proceeds and Our Compliance

As advised by our PRC Legal Advisors, Jingtian & Gongcheng, regarding the legal regime for the supervision of pre-sale proceeds in the PRC, the applicable laws and regulations at the national level namely, the Urban Real Estate Law, the Pre-sale Measures and the Pre-sale Notice, only set forth the general principles and regulatory framework regarding the management of pre-sale proceeds by property developers to ensure completion of construction of property projects, while the PRC laws and regulations at the local level provide more detailed requirements and implementation measures for the management of pre-sale proceeds. Under the national-level laws, provincial, municipal, city or county government authorities are delegated and granted the authority to formulate and supervise the implementation of detailed requirements for the management of pre-sale proceeds in the respective administrative areas. In particular, pursuant to the Pre-sale Measures, the MOHURD delegates the authority of formulating detailed regulatory requirements and implementation measures with respect to the supervision of pre-sale proceeds to the relevant governmental authorities at local levels. As such, though the applicable local regulations are formulated in line with the national-level principles and framework, but may vary slightly among different administrative areas.

Further, according to our PRC Legal Advisors, based on the results of consultation with the MOHURD as the national-level laws and regulations only set forth the general principles and regulatory framework, the relevant governmental authorities at local levels have been delegated with the authority to interpret such general principles and formulate detailed regulatory requirements with respect to the supervision of pre-sale proceeds. Accordingly, interpretations made by local governmental authorities are extremely unlikely to be challenged by national governmental authorities. See "— Pre-sale Proceeds — Applicable Laws and Regulations in Relation to Pre-Sale Proceeds Management at National and Local Levels." According to the Pre-sales Measures, the competent regulatory authority may impose a fine that equals three times of illegal gains but less than RMB30,000 per project if a property developer fails to use the pre-sale proceeds as required. The maximum penalty of RMB30,000 refers to the maximum penalty *a project* may be subject to, regardless whether the project is involved in one or more types of non-compliances in relation to pre-sale proceeds. See "Regulatory Overview — Regulations on Real Estate Transfer and Sale." Accordingly, as advised by our PRC Legal Advisors, the aggregate amount of potential maximum penalty with respect to the Pre-sale Proceeds Incidents would be approximately RMB1.4 million if the relevant government authorities impose the maximum fine for each of the property projects involved in the Pre-sale Proceeds Incidents (excluding the property projects that had completed construction or been disposed as of the Latest Practicable Date).

As of the Latest Practicable Date, we had obtained confirmations from, or conducted interviews with, the competent local governmental authorities confirming that we had complied with the relevant laws and regulations in relation to pre-sale proceeds or we had not been penalized for violating the relevant laws and regulations in relation to pre-sale; and our Directors confirm that we had not been subject to any administrative penalty imposed by competent administrative authorities relating to the Pre-sale Proceeds Incidents. Our PRC Legal Advisors are of the view that such local regulatory authorities are competent authorities, as pursuant to the Pre-sale Measures and the Pre-sale Notice, local-level authorities are delegated and granted the authority to formulate, and supervise the implementation of detailed requirements for the supervision of pre-sale proceeds. The confirmations we received have covered all of our property development projects that have been involved in Pre-sale Proceeds Incidents during the Track Record Period, except for the projects held by five subsidiaries that had been completed as of the Latest Practicable Date. For such completed projects, as advised by our PRC Legal Advisors, the restrictions on the withdrawal or use of relevant pre-sales proceeds deposited in the designated escrow account had been released following the completion of such properties or completion of the relevant registration procedures with the relevant government authorities with respect to such properties. We will procure, to the extent feasible, that all the amounts will be deposited in the designated escrow accounts, and have taken rectification actions with respect to the relevant Pre-sale Proceeds Incidents as required by the local relevant authorities; and we also enhanced the internal control to ensure that the subsidiaries comply with the relevant local rules and regulations with respect to pre-sale proceeds. In addition, the main purpose of applicable laws and regulations in relation to the pre-sale proceeds is to ensure sufficient fund will be retained by property developers for the completion of projects, and the Directors confirm the Pre-sale Proceeds Incidents did not cause any material delay in property delivery or failure to deliver property during the Track Record Period. As advised by our PRC Legal Advisors, such relevant regulatory authorities are competent to issue the above confirmation letters. Taking into account that (i) the confirmations were issued by city or county competent regulatory authorities of the administrative areas where our property projects are located. Among the 67 projects which were involved in the Pre-sale Proceeds Incidents, except for five projects (located in Shanghai, Jurong, Hangzhou and Yangzhou) that had been completed and one project that had been disposed (located in Lianyungang) as of the Latest Practicable Date, we obtained written confirmations from competent local authorities for 59 projects and conducted interviews with competent local authorities for the remaining two projects; (ii) based on the results of consultation with the MOHURD, the relevant governmental authorities at local levels have been delegated with the authority to interpret the general principles and formulate detailed regulatory requirements with respect to the supervision of pre-sale proceeds; and (iii) the PRC Legal Advisors' consultation with the departments of housing and urban-rural development of all the relevant provinces, which were the higher-level authorities of all the cities where we have pre-sale property projects during the Track Record Period, confirming that the regulatory authorities at the city- or county-level are the competent governmental authorities, and generally they would not revoke or challenge such confirmations issued by city- or county-level authorities, our PRC Legal Advisors therefore are of the view that (i) the risk of such confirmations being challenged by higher-level authorities is low; (ii) the risk of us being penalized by the relevant government authorities relating to the Pre-sale Proceeds Incidents is low; and (iii) the Pre-sale Proceeds Incidents would not have a material impact on us.

Evaluation of the Potential Impacts of the Pre-sale Proceeds Incidents

Our PRC Legal Advisors are of the view that risk of the revocation of the pre-sales permit of the relevant subsidiaries by the relevant government authorities as a result of the Pre-Sale Proceeds Incidents is remote, because (i) for national-level laws and regulations, the relevant provisions in the Measures for Administration of Pre-sales of Urban Commodity Properties (城市商品房預售管理辦法), which stipulated the revocation of pre-sale permits upon violation of such provisions, were repealed in 2001; (ii) for local level regulations of the cities where we have property projects, only Changsha has a provision in local regulations which stipulates that a property developer may be ordered to rectify non-compliances in relation to pre-sale proceeds within a prescribed period, and the relevant pre-sale permits may be revoked if such property developer fails to rectify within the prescribed period. During the Track Record Period and up to July 31, 2020, four projects in Changsha developed by four subsidiaries were involved in the Pre-Sale Proceeds Incidents as these subsidiaries did not deposit full amount or directly deposit the required amounts into designated escrow accounts. These subsidiaries used pre-sale proceeds with amounts within the permitted amounts and maintained sufficient cash balances as of July 31, 2020, and during the period after April 30, 2020 and up to July 31, 2020, they had deposited the pre-sale proceeds received during such period into the designated escrow accounts as required in full. The relevant projects were under development as of the same date. As of July 31, 2020, these subsidiaries had not received any notice from local governmental authorities in Changsha requiring the relevant subsidiaries to rectify any non-compliance or had been subject to any administrative penalty imposed by competent administrative authorities relating to the Pre-sale Proceeds Incidents; and (iii) we had also obtained confirmation letters from the relevant competent regulatory authorities, providing that the Group (including the four subsidiaries involved in the Pre-sale Proceeds Incidents in Changsha) had complied with the relevant laws and regulations in relation to pre-sale proceeds or no penalties have been imposed on the Group in relation to the Pre-sale Proceeds Incidents.

As such, our Directors are of the view that save for the limited situations of indirect deposit of pre-sale proceeds due to internal policies or technical issues of mortgage banks and/or limit on registration of pre-sale contracts imposed by certain local governmental authorities, which may require us to manually transfer the relevant pre-sale proceeds in accordance with our enhanced internal control measures, we have fully complied with all the relevant applicable laws and regulations relating to pre-sale proceeds, and the Pre-sale Proceeds Incidents would not have a material operational or financial impact on us. Therefore, we have not made any provisions in relation to any pre-sale proceeds requirements.

Advances Made to Related Parties and Interest Received from Third Parties

We made interest-bearing advances to our related parties and received interest from third parties during the Track Record Period. See "Financial information — Related Party Transactions — Balances with Related Parties" and "Risk Factors — Risks Relating to Our Business — We realized interest income during the Track Record Period from related parties and third parties" for details.

Failure to Complete the Filing with the Relevant Government Authority with Respect to the Requisite Tender Procedure for General Contractor Selection

In 2017, one of our subsidiary failed to complete the filing with the relevant government authority with respect to the requisite tender procedure for general contractor selection and was fined RMB100,000 by a local authority. See "— Our Property Development Management — Contractors and Procurement — Appointment of Construction Contractors" and "Risk Factors — Risks Relating to Our Business — We may be subject to fines or penalties if we fail to comply with any applicable laws, rules or regulations" for details.

Delays in the Commencement or Completion of Construction

During the Track Record Period and up to the Latest Practicable Date, we incurred delays in commencement and/or completion of construction for an aggregate of 22 projects. As of the Latest Practicable Date, two of these projects has not yet commenced construction. As of the same date, 13 of these projects have not completed construction. See "— Our Property Development Management — Project Construction and Quality Control" and "Risk Factors — Risks Relating to Our Business — We may be subject to fines or forfeit land to the PRC Government if we fail to pay land grant premiums or fail to develop properties within the time and in accordance with the terms set out in the relevant land grant contracts" for details.

Failure to Register Certain Lease Agreements

As of the Latest Practicable Date, we failed to register 15 lease agreements under which we are tenants. See "— Leased Properties" and "Risk Factors — Risks Relating to Our Business — We may be subject to fines due to the lack of registration of our leases" for details.

Work Safety Accident

A work safety accident occurred on the construction site of one of our projects in Xi'an in September 2019. See "— Social, Health, Work Safety and Environmental Matters — Social, Health and Work Safety" for details.

Tax Related Incidents

During the Track Record Period, three of our project companies were penalized for failing to pay the EIT and individual withholding tax or stamp tax in full amount or make the tax filing in a timely manner. See "Risk Factors — Risks Relating to Our Business — We may be subject to fines or penalties if we fail to comply with any applicable laws, rules or regulations."

Failure to Conduct Construction Pursuant to the Approved Construction Drawings or Plans

During the Track Record Period, seven of our project companies were penalized for failing to conduct construction pursuant to the approved construction drawings or plans. See "Risk Factors — Risks Relating to Our Business — We may be subject to fines or penalties if we fail to comply with any applicable laws, rules or regulations."

Failure to Obtain Approval for Fire Safety Design Before the Commencement of Construction

During the Track Record Period, one of our project companies was penalized for commencing construction before obtaining approval for fire safety design. See "Risk Factors — Risks Relating to Our Business — We may be subject to fines or penalties if we fail to comply with any applicable laws, rules or regulations."

Internal Control Measures to Ensure Future Compliance

We have engaged an independent consulting firm as our internal control advisor, or the Internal Control Consultant, in October 2019. The Internal Control Consultant has performed internal control review to prevent future occurrence of the non-compliance incidents in October 2019.

To prevent the occurrence of any non-compliance incidents in the future, we adopted remedial internal controls.

Internal Control Measures with respect to Commencement of Construction Works

We have established a monthly checking process to ensure on-going compliance. The responsible party of our engineering department conducts monthly check whether any project company proceeds with construction works (i) before completing the inspection procedures for construction sites and obtaining requisite construction work planning permits; (ii) before obtaining requisite construction work commencement permits; or (iii) before the relevant construction drawings were reviewed and approved by the relevant authorities. The responsible party of our engineering department signs on a checklist on key issues of construction project development and/or acceptance as evidence of checking. We also organize training and education to the responsible person of the relevant departments on the rules and regulations of relevant requirements above.

After reviewing the above internal control measures, our Directors are of the view that the above measures are adequate and will effectively ensure a proper internal control system to prevent future similar non-compliance with the PRC laws and regulations.

Internal Control Measures with respect to Advertising, Pricing and Pre-sales

We have established a monthly checking process to ensure on-going compliance. Our responsible sales and marketing personnel conduct monthly check on whether all project companies have disclosed proper information of advertising, pricing and pre-sales activities. The responsible sales and marketing personnel sign on a checklist as evidence of checking. We also organize training and education to the responsible person of the relevant departments on the rules and regulations of advertising, pricing and pre-sales.

After reviewing the above internal control measures, our Directors are of the view that the above measures are adequate and will effectively ensure a proper internal control system to prevent future similar non-compliance with the PRC laws and regulations.

Internal Control Measures with respect to Social Insurance and Housing Provident Fund Contributions

We have revised our policies and procedures to include guidelines on confirmation of social insurance and housing provident fund contribution matters. Our employees who voluntarily made the decision not to make such contributions sign a confirmation letter confirming the matter. We had requested such employees to transfer their social insurance and housing provident fund accounts to the districts or cities where our relevant offices are located so we could make social insurance and housing provident fund contributions as soon as they fulfill the relevant personal or family needs. In addition, we will make social insurance and housing provident fund contributions for all newly joined employees. Our responsible persons from human resources department of each project company monthly report relevant issues to our legal department at the group-level, and our legal department then reports to our management every half year together with a legal opinion. We also organize training and education to the responsible person of the relevant departments on the rules and regulations of social insurance and housing provident fund contributions.

After reviewing the above internal control measures, our Directors are of the view that the above measures are adequate and will effectively ensure a proper internal control system to prevent future similar non-compliance with the PRC laws and regulations.

Internal Control Measures with respect to Pre-sale Proceeds

Our internal control consultant, RSM Consulting (Hong Kong) Limited, identified the pre-sale proceeds related procedures as an internal control deficiency in its initial review in November 2019, and subsequently we implemented the enhanced internal control measures set forth below as recommended by our internal control consultant. Our internal control consultant and our PRC Legal Advisors confirm that such enhanced internal control measures follow both national and local laws and regulations in the PRC in all material aspects. Details of these enhanced internal control measures are set forth below:

- *At the project company level*. The designated personnel of the finance department of each project company ensure that the pre-sale proceeds are fully deposited into the designated escrow accounts. The finance department also oversees the withdrawals conducted by the relevant project company to ensure that withdrawals from the relevant designated escrow accounts are strictly in accordance with the relevant local regulatory requirements. In daily operations, the finance department of each project company regularly communicates with the project management department to ensure that the most up-to-date information relating to construction status is available for the preparation of application material for withdrawals of pre-sale proceeds from the designated escrow accounts;

- *At the regional company level.* The finance department of each regional company conducts overall self-assessment on the management of pre-sale proceeds by the project companies within the region. For any compliance issues identified during these regular internal assessments, the head of the finance department at the regional company level would conduct investigations regarding the background and reasons for the non-compliances under the applicable rules and requirements, and propose a rectification plan for the financial management center at the group-level to further review and approve. The head of the finance department at the regional company would also ensure that the approved rectification measures comply with the applicable rules and regulations. Once implemented, the follow-ups and final results are reported to the financial management center at the group-level; and

- *At the group-level.*

  - The financial management center of the Group collects and reviews the relevant regulatory requirements relating to pre-sale proceeds on a regular basis, focusing particularly on the requirements relating to property projects that are scheduled to commence pre-sales recently, and discusses with the internal control managers at the finance department of the relevant regional companies to ensure agreement on the procedures and requirements for the relevant property project. The Group has formulated a process on the collection and review with respect to the relevant requirements, particularly on the interpretation and execution of the specific requirements relating to pre-sale proceeds, which would be managed by the financial management center at the group-level.

  - We have arranged our Directors, senior management and the project managers to attend training sessions in respect of PRC laws and regulations and local policies in relation to pre-sales, in order to familiarize and update our personnel on the relevant laws, regulations and policies. Our Directors and senior management keep monitoring the implementation of the internal control measures regarding pre-sale proceeds to ensure that we maintain sufficient cash balances in the designated escrow accounts.

With respect to the above-mentioned practical difficulties in depositing the pre-sale proceeds due to local governments' limit on the number of registrable pre-sale contracts and mortgage banks' internal policies and/or technical reasons, we implement the following measures:

- We request the relevant subsidiaries to manually transfer the funds from the mortgage bank accounts to the designated escrow accounts regularly, i.e., within five working days after deposit of such loan proceeds by mortgage banks;

- We request each of our subsidiaries to implement the following measures when engaging new mortgage banks going forward to the extent feasible: (i) before engaging new mortgage banks, each subsidiary shall consider whether a mortgage bank can accommodate such requests and generally sets forth the direct deposit of mortgage loans into the our designated escrow accounts as a condition in the negotiations with the relevant banks before engaging them; and (ii) clearly specify in the relevant agreement that the mortgage banks shall timely and directly deposit the loan proceeds into the designated escrow accounts;

- We have designated specific corporate accounts at the project company level for temporary receipt of pre-sale proceeds before the same can be transferred to relevant designated escrow accounts. The relevant pre-sale proceeds that cannot be deposited to the designated escrow accounts due to the registration limitation will be deposited into such designated corporate account. Once the relevant pre-sale contracts have been approved to be registered and their matching online registration numbers become available, we will timely transfer the pre-sale proceeds to the relevant designated escrow accounts; and

- We request the relevant subsidiaries to manually transfer the funds from the above-mentioned designated corporate accounts to the designated escrow account within five working days after the relevant pre-sale contracts have been approved to be registered and their matching online registration numbers become available.

The major responsibilities of our Directors include, among others, convening and reporting to the shareholders meetings, implementation of resolutions by shareholders meetings, formulating operational, investment and financial plans for the Company, budgeting for the Company, hiring and discharging senior management, as well as formulating, amending and repealing by laws of the Company. According to our internal policies, the designated personnel of the finance department of each project company ensure that the pre-sale proceeds are fully deposited into the designated escrow accounts; the finance department also oversees the withdrawals conducted by the relevant project company to ensure that withdrawals from the relevant designated escrow accounts are strictly in accordance with the relevant local regulatory requirements; the finance department of each regional company conducts overall self-assessment on the management of pre-sale proceeds by the project companies within the region; the financial management center of the Group collects and reviews the relevant regulatory requirements relating to pre-sale proceeds on a regular basis, focusing particularly on the requirements relating to property projects that are scheduled to commence pre-sales recently, and discusses with the internal control managers at the finance department of the relevant regional companies to ensure agreement on the procedures and requirements for the relevant property project. As such, our Directors were not involved in the deposits, transfers and withdrawals of the pre-sale proceeds during the Track Record Period, and accordingly were not involved in any of the Pre-sale Proceeds Incidents. On the basis that (i) we had obtained compliance confirmations from the competent government authorities in relation to the Pre-sale Proceeds Incidents; (ii) our PRC Legal Advisors are of the view that the risks of us being penalized by the relevant government authorities relating to the Pre-sale Proceeds Incidents is low, and therefore the Pre-sale Proceeds Incidents would not have a material impact on our financial conditions, and (iii) our internal control consultant, RSM Consulting (Hong Kong) Limited, is of the view that the enhanced internal control measures adopted by us are adequate and effective to prevent similar future non-compliance, our Directors, and the Joint Sponsors, after considering the above and based on the due diligence conducted, are of the view that the Pre-sale Proceeds Incidents would not have any negative bearings on our Directors' competence and suitability under Rules 3.08 and 3.09 of the Listing Rules.

Our Internal Control Consultant's View

The Internal Control Consultant, RSM Consulting (Hong Kong) Limited, performed a follow-up review on the remedial internal controls in February 2020 and did not raise any further recommendations. Based on the follow-up review on the enhanced internal procedures we had implemented before the Listing, our Internal Control Consultant is of the view that enhanced internal control measures are adequately and effectively designed to prevent the reoccurrence of non-compliance incidents as described above and such measures have been effectively implemented.

In order to ensure that we maintain sound and effective internal control to protect the interests of us and our Shareholders, we have set up comprehensive risk management and internal control system. See "— Risk Management and Internal Control." To prevent future occurrence of any non-compliance of laws or regulations or breaches of commercial contracts, we also adopted the following steps and measures to further enhance our corporate governance practices and the effectiveness of our internal control procedures:

- we enhanced relevant policies and procedures on the requirements of compliance of such laws and regulations of key operations;

- we have established an Audit Committee comprising three independent non-executive Directors. The Audit Committee which assists our Board by providing an independent view of the effectiveness of our Group's financial reporting process, internal control and risk management system, to oversee the audit process, to develop and review our policies and to perform other duties and responsibilities as assigned by our Board;

- our legal department is responsible for monitoring and supervising our Group's regulatory compliance, reporting to our Board and senior management on the status of our Group's regulatory compliance and liaising with external legal advisers;

- our Directors and senior management continuously monitor our internal control measures, including the implementation of the internal control measures taken to avoid recurrence of the non-compliance incidents and report findings and make appropriate recommendations to the Audit Committee; and

- we provide trainings on our internal policies with respect to key operational aspects to our Directors, senior management and other key personnel on a regular basis. Specifically, we provide regular trainings focusing on laws and regulations in relation to pre-sale proceeds and contributions to social insurance and housing provident fund to our employees at project company level, regional company level and the Group level. We keep monitoring updates in laws and regulations in relation to pre-sale proceeds and contributions to social insurance and housing provident fund, and highlight such updates, if any, in training sessions provided to our employees.

Our Directors and the Joint Sponsors' Views

On the basis that (i) we had paid the relevant penalties, where applicable, in full; (ii) we had obtained the confirmations from the competent government authorities or as advised by our PRC Legal Advisors that pursuant to the relevant applicable regulations that, the relevant non-compliance incidents were immaterial; (iii) our PRC Legal Advisors are of the view that the risks that we will be subject to further administrative penalties for such non-compliance incidents by such relevant governmental authorities which imposed relevant penalties are low; and (iv) we had engaged the Internal Control Consultant to perform review on our remedial internal controls and had adopted the rectification measures to address such incidents and the enhanced internal control measures to ensure on-going compliance, and (v) the Internal Control Consultant did not have any further recommendation in the internal control system of the Group after the follow up review, our Directors are of the view, and the Joint Sponsors concur, that (i) the internal control measures listed above are adequate and expected to help us establish an effective internal control system to prevent future similar non-compliance with the PRC laws and regulations; and (ii) the historical non-compliance incidents listed above would not negatively reflect on the Directors' competency under Rules 3.08 and 3.09 and hence the Company's suitability for Listing; and (iii) the historical non-compliance incidents listed above are neither material nor systemic non-compliances.

Qualifications

The following table sets forth details of the material qualification certificates for our business as of the Latest Practicable Date:

PRC Subsidiary	Qualification	Classification	Expiration Date
Radiance Group (金輝集團股份有限公司)	Real Estate Development Enterprise Qualification Certificate (房地產開發企業資質證書)	Class II	In effect, subject to annual assessment
Rongqiao Fuzhou Real Estate (融僑（福州）置業有限公司)	Real Estate Development Enterprise Qualification Certificate (房地產開發企業資質證書)	Class III	In effect, subject to annual assessment
Fuzhou Xianghui Real Estate Co., Ltd. (福州祥輝房地產有限公司)	Real Estate Development Enterprise Qualification Certificate (房地產開發企業資質證書)	Class III	May 14, 2021
Fuqing Ronghui Real Estate Co., Ltd. (福清融輝置業有限公司)	Real Estate Development Enterprise Qualification Certificate (房地產開發企業資質證書)	Class III	In effect, subject to annual assessment
Shenyang Ronghui Juye Properties Development Co., Ltd. (瀋陽融輝居業房地產開發有限公司)	Real Estate Development Enterprise Qualification Certificate (房地產開發企業資質證書)	Class III	April 28, 2023
Suzhou Qihui Real Estate Co., Ltd. (蘇州啓輝置業有限公司)	Real Estate Development Enterprise Qualification Certificate (Provisional) (房地產開發企業暫定資質證書)	Class II	April 3, 2021
Taicang Jinhui Properties Development Co., Ltd. (太倉金輝房地產開發有限公司)	Real Estate Development Enterprise Qualification Certificate (Provisional) (房地產開發企業暫定資質證書)	Class II	February 4, 2021
Jurong Gonghua Properties Development Co., Ltd. (句容恭華房地產開發有限公司)	Real Estate Development Enterprise Qualification Certificate (Provisional) (房地產開發企業暫定資質證書)	Class II	May 13, 2021

PRC Subsidiary	Qualification	Classification	Expiration Date
Yangzhou Jinhui Real Estate Co., Ltd. (揚州金輝置業有限公司)	Real Estate Development Enterprise Qualification Certificate (Provisional) (房地產開發企業暫定資質證書)	Class II	April 29, 2021
Yancheng Jinhui Juye Real Estate Development Co., Ltd (鹽城金輝居業房地產開發有限公司)	Real Estate Development Enterprise Qualification Certificate (Provisional) (房地產開發企業暫定資質證書)	Class II	March 16, 2021
Huai'an Ronghui Juye Properties Co., Ltd. (淮安融輝居業房地產有限公司)	Real Estate Development Enterprise Qualification Certificate (Provisional) (房地產開發企業暫定資質證書)	Class II	May 27, 2021
Lianyungang Ronghui Real Estate Co. Ltd. (連雲港融輝置業有限公司)	Real Estate Development Enterprise Qualification Certificate (房地產開發企業資質證書)	Class II	June 2, 2022
Fujian Jinhui Anhui Properties Co., Ltd. (福建金輝安徽房地產有限公司)	Real Estate Development Enterprise Qualification Certificate (房地產開發企業資質證書)	Class III	April 3, 2021
Chongqing Huiderui Properties Development Co., Ltd. (重慶輝德睿房地產開發有限公司)	Real Estate Development Enterprise Qualification Certificate (Provisional) (房地產開發企業暫定資質證書)	Class II	December 16, 2020
Chongqing Jinyonghe Real Estate Development Co., Ltd. (重慶金永禾房地產開發有限公司)	Real Estate Development Enterprise Qualification Certificate (Provisional) (房地產開發企業暫定資質證書)	Class II	November 11, 2020[(1)]
Chengdu Jinhui Juye Real Estate Co., Ltd. (成都金輝居業置業有限公司)	Real Estate Development Enterprise Qualification Certificate (Provisional) (房地產開發企業暫定資質證書)	Class III	March 4, 2021
Renshou Jinhui Yaocheng Properties Co., Ltd. (仁壽金輝耀城房地產有限公司)	Real Estate Development Enterprise Qualification Certificate (Provisional) (房地產開發企業暫定資質證書)	Class III	June 13, 2021
Changsha Hongtao Real Estate Development Co., Ltd. (長沙鴻濤房地產開發有限公司)	Real Estate Development Enterprise Qualification Certificate (房地產開發企業資質證書)	Class III	April 15, 2021
Xi'an Qujiang Yuanshan Real Estate Co., Ltd. (西安曲江原山置業有限公司)	Real Estate Development Enterprise Qualification Certificate (房地產開發企業資質證書)	Class I	January 15, 2022

Our PRC Legal Advisors have advised us that, during the Track Record Period and up to the Latest Practicable Date, except otherwise disclosed in "— Non-compliance Incidents" above and in this Prospectus, we had obtained all material requisite licenses, approvals, permits, certificates and written confirmations from competent government authorities in the PRC to conduct our business in the PRC and to operate our business in the manner described in this Prospectus, and we had been in compliance with the applicable PRC laws and regulations relating to our business operations in all material respects. As of the Latest Practicable Date, all of our PRC subsidiaries engaged in property development operations have obtained qualification certificates for real property development.

(1) We had been in the process of renewing the certificate as of the date of the Prospectus. As advised by our PRC Legal Advisors, there is no legal impediment or obstacle for us to renew such certificate, as long as we comply with the relevant legal requirements and provided that we take all necessary steps and submit the relevant applications in accordance with the requirements and schedules prescribed by the applicable PRC laws and regulations.

If we fail to maintain our licenses, certificates, permits or governmental approvals upon expiry, our development plans may be delayed and there may be an adverse effect on our business. See "Risk Factors — Risks Relating to Our Business — We may fail to obtain or experience delays in obtaining the relevant PRC governmental approvals for our property development projects."

Land Acquisitions and Related Disputes

As part of our normal course of business, we have historically acquired land assets for development purposes through the acquisition of equity interests in companies which possessed or were expected to possess land use rights over targeted land parcels. Subsequent to the Track Record Period and up to the Latest Practicable Date, we had committed to acquiring the following companies with the sole purpose of obtaining the respective land parcels thereunder:

No.	Member of we (as buyer)	Counter party (as seller)	Date of acquisition agreement (the "Acquisition Agreement(s)")	Project company established by the counterparty pursuant to the relevant acquisition agreement to be transferred to we (as target company)	Site area of the acquired land	Aggregate value of consideration	Percentage of equity interest to be acquired
					(sq.m.)	(RMB'000)	(%)
1.	福州金輝置業有限公司 (Fuzhou Jinhui Real Estate Company Limited)	泉州市億民建設發展有限公司 (Quanzhou Yimin Construction Development Company Limited ("**Quanzhou Yimin**")	February 25, 2016 as supplemented in August 2016 (the "**QY Acquisition Agreements**")	福州興隆房地產有限公司 (Fuzhou Xinglong Properties Company Limited)	80,081.4 in aggregate	2,295,000 (of which RMB940 million had been paid as of the Latest Practicable Date)	85
				福州盛民房地產開發有限公司 (Fuzhou Shengmin Property Development Company Limited)			85
				福州億民置業有限公司 (Fuzhou Yimin Real Estate Company Limited)			85
				福州榮華房地產有限公司 (Fuzhou Ronghua Properties Company Limited) (together, the "**Fuzhou Project Companies**")			85

No.	Member of we (as buyer)	Counter party (as seller)	Date of acquisition agreement (the "Acquisition Agreement(s)")	Project company established by the counterparty pursuant to the relevant acquisition agreement to be transferred to we (as target company)	Site area of the acquired land	Aggregate value of consideration	Percentage of equity interest to be acquired
					(sq.m.)	**(RMB'000)**	**(%)**
2.	西安金輝房地產開發有限公司 (Xi'an Jinhui Property Development Company Limited)	陝西世紀春天房地產有限公司 (Shaanxi Shiji Chuntian Property Development Company Limited ("**Shaanxi Chuntian**")	January 25, 2017 as supplemented on January 26, 2017 and August 28, 2017 respectively (collectively the "**SC Acquisition Agreements**")	西安臻萃房地產有限公司 (Xi'an Zhencui Properties Company Limited) ("**Xi'an Zhencui**") (the "**Xi'an Project Company**")	58,602.6	966,944 (of which approximately RMB462.64 million had been paid as of the Latest Practicable Date)	90

The principal business of the sellers of such acquisitions is property development and sales of property.

As of the Latest Practicable Date, the above acquisitions had yet to be completed mainly due to certain disputes as detailed below.

Contractual Dispute with Quanzhou Yimin

On May 25, 2018, we initiated a legal proceeding against Quanzhou Yimin and the guarantor to the QY Acquisition Agreements, for breach of the QY Acquisition Agreements and other ancillary documents and claimed for an estimated sum of approximately RMB552.3 million (of which RMB340 million was for the refund of deposits and RMB212.3 million in liquidated damages). The claim arose as a result of Quanzhou Yimin defaulted in fulfilling its obligations under the QY Acquisition Agreements and therefore we requested for the repayment of the amount of RMB340 million originally deposited by us in a joint signatory bank account established pursuant to the QY Acquisition Agreements under the name of Quanzhou Yimin and subsequently withdrawn by Quanzhou Yimin in June and August 2016. The Fujian Higher People's Court held the decision in favor of us on January 30, 2020.

In or about March 2020, we appealed to the Supreme People's Court of the PRC against the ruling of the amount of the liquidated damages awarded to us, Quanzhou Yimin appealed against the validity of the QY Acquisition Agreements and the guarantor appealed against her obligations to repay the funds as a guarantor. A court hearing was held on June 19, 2020 to hear the evidence submitted by both parties. As of the Latest Practicable Date, the date of the next hearing had not been fixed.

We have been advised by Grandall Law Firm (Nanjing), our PRC legal litigation counsel to such dispute, that (i) the QY Acquisition Agreements had been entered into among the parties in good faith and were not in violation of any laws and regulations in the PRC; and (ii) Quanzhou Yimin and the guarantor have no merits in defending a claim by our Group for breach of a term of the QY Acquisition Agreements.

Contractual Dispute with Shaanxi Chuntian

On February 4, 2020, we applied to the Xi'an Intermediate People's Court to launch a pre-litigation property attachment to Shaanxi Chuntian. The property attachment application, which sought to freeze Shaanxi

Chuntian's bank deposits of RMB31,175,234, was accepted by Xi'an Intermediate People's Court. On March 3, 2020, we initiated a legal proceeding against Shaanxi Chuntian for breach of the SC Acquisition Agreements and claimed for an estimated sum of RMB80,747,150 (of which RMB77,270,000 represented the transferred out deposit amount and RMB3,477,150 was for liquidated damages). The claim arose as a result of the transfer-out of an amount of RMB75,808,000 (together with accrued interests thereon totaling RMB77,270,000) which had been deposited by us, from a joint signatory bank account established in the name of Shaanxi Chuntian pursuant to the SC Acquisition Agreements. Such debit had been made according to a court order granted to a claim by a creditor of Shaanxi Chuntian, but was nonetheless unauthorized, as we have owned the proprietary rights over the funds in such amount at all material times pursuant to the SC Acquisition Agreements. As of the Latest Practicable Date, the date of hearing has not been fixed.

We have been advised by Shaanxi Fengrui Law Firm, our PRC legal litigation counsel to such dispute, that the conditions for releasing the funds in the amount of RMB77,270,000 under the SC Acquisition Agreements had not been fulfilled and therefore we still owned the proprietary rights in such funds. Accordingly, the likelihood of us failing to establish our claim is low.

Conclusion

Mainly due to above-mentioned ongoing contractual disputes in respect of the Acquisition Agreements between our Group as plaintiff and the sellers as defendants, the Fuzhou Project Companies have yet to proceed to obtain the land use rights certificates in respect of the lands to be acquired and performance of the Acquisition Agreements has been withheld. Accordingly, completion of the acquisitions under the Acquisition Agreements has not taken place. We intend to complete the acquisitions upon the conclusion of the legal disputes in accordance with the terms of the Acquisition Agreements.

Based on the legal opinions of our PRC litigation advisers to the above-mentioned disputes, our Directors are of the view that it is unlikely that the above disputes would have a negative impact on our financial performance.

The above acquisitions and disputes have not resulted in any significant change to the financial position of our Group since December 31, 2019, being the last day of the Track Record Period.

OVERVIEW

Immediately following the completion of the Global Offering (assuming the Over-allotment Option is not exercised and without taking into account any Shares which may be issued upon the exercise of any options which may be granted under the Share Option Scheme), Glowing Shine will directly hold 85% of the issued share capital of our Company. Glowing Shine is wholly-owned by Radiance Group Holdings which is in turn owned as to 64.97% by Mr. Lam and 35.03% by Ms. Lam, the spouse of Mr. Lam. Accordingly, Mr. Lam, Ms. Lam, Radiance Group Holdings and Glowing Shine are our Controlling Shareholders.

Our Controlling Shareholders have confirmed that they are not currently interested, involved or engaged, or are likely to be interested, involved or engaged, directly or indirectly, in business which competes or is likely to compete, directly or indirectly, with our Group's business which would require disclosure under Rule 8.10 of the Listing Rules.

DELINEATION OF BUSINESS

We are a large-scale and comprehensive property developer, focusing on the development of residential, commercial and multi-use properties. Please see "Business" in this Prospectus for further information of our business and operations.

Apart from our business, our ultimate Controlling Shareholders are also the controlling shareholders of a group of companies held by Radiance Lifestyle Holdings (the "**Property Management Group**") which is engaged in the provision of property management services and other related services, including but not limited to provision of (i) management services for unsold units and unsold car parking spaces; (ii) pre-delivery management and value-added services which primarily include (a) planning and design consultancy; (b) inspection, cleaning and repair of units; (c) site security; and (d) ancillary facilities management services; and (iii) sales management services which primarily include property management of display units, and off-and on-site sales offices (the "**Property Management Business**"). For the purpose of achieving a clear delineation between the business of our Group and those of our Controlling Shareholders, Beijing Jinhui Jinjiang and its subsidiaries, being entities engaged in the Property Management Business, were disposed of to Fuzhou Jinhui Property Management Co., Ltd. (福州金惠物業管理有限公司) on December 23, 2019. Details of such disposals are set forth in "History, Reorganization and Corporate Structure — Reorganization — Disposals of Beijing Jinhui Jinjiang and Xi'an Jinhui Square Commercial Property Management" in this Prospectus. As of the Latest Practicable Date, our Group was not engaged in the Property Management Business.

The table below sets forth the principal businesses of our Group and the Property Management Group as of the Latest Practicable Date:

	Principal business operations
Our Group	Development and sales of property and property leasing businesses
The Property Management Group	Property Management Business

It is our Group's strategy to focus on property development and sales and property leasing businesses and our Group does not engage in the provision of Property Management Business, which requires different skillset, industry knowledge and expertise from those required for our Group's business. The Property Management Business is separate and distinct from our Group's business.

Given the differences in nature between the Property Management Business and our business, our Directors are of the view that there is no overlap between the Property Management Business and our business and as a result of such clear delineation, the Property Management Business would not compete, or is not expected to compete, directly or indirectly, with our business.

Our Controlling Shareholders have confirmed that they and their respective close associates are not interested in any business that competes or is likely to compete, either directly or indirectly, with that of our Group.

To ensure that competition will not exist in the future, each of our Controlling Shareholders has entered into the Deed of Non-Competition in favor of our Company to the effect that each of them will not, and will procure each of his/her respective close associates not to, directly or indirectly participate in, or hold any right or interest, or otherwise be involved in any business which may be in competition with our business, further details of which are set out in the paragraph entitled "— Deed of Non-Competition" below.

In addition, as of the Latest Practicable Date, none of our executive Directors had any interest in any business which competed or was likely to compete, either directly or indirectly, with our Company's business which would require disclosure under Rule 8.10 of the Listing Rules.

INDEPENDENCE FROM OUR CONTROLLING SHAREHOLDERS

We are capable of carrying on our business independently from our Controlling Shareholders and their close associates (other than our Group) after the Listing for the following reasons:

Management Independence

Our Board comprises four executive Directors and three independent non-executive Directors. Other than Mr. Lam and Mr. Lam Yu, none of our Directors or the members of our senior management holds any directorship or senior management role in our Controlling Shareholders or their close associates (save for our Group).

Mr. Lam is a director of our corporate Controlling Shareholders, namely Glowing Shine and Radiance Group Holdings and a director of Radiance Lifestyle Holdings. In addition, Mr. Lam Yu is a director of Radiance Lifestyle Holdings.

Radiance Group Holdings is the indirect holding company of Radiance Lifestyle Holdings and our Company. Since Glowing Shine is merely an investment holding company which holds interests only in our Group with no actual business and Radiance Group Holdings is merely an investment holding company which holds interests in both our Group and the Property Management Group with no actual business, Mr. Lam's directorship in Radiance Group Holdings and Glowing Shine will not affect the discharge of Mr. Lam's duties to our Group.

Mr. Lam only assumes a non-executive directorship role in Radiance Lifestyle Holdings and is not involved in the day-to-day operations of the Property Management Group while Mr. Lam Yu assumes an executive directorship role in Radiance Lifestyle Holdings and is involved in the day-to-day operations of the Property Management Group. Given the nature of the directorships of Mr. Lam and Mr. Lam Yu outside our Group and for reasons set out below, our Directors including our independent non-executive Directors are of the view that we are able to operate independently of our Controlling Shareholders or their close associates.

Save as disclosed above, there is no overlapping personnel between the respective boards of directors of our Company, our corporate Controlling Shareholders and Radiance Lifestyle Holdings and the senior management teams of our Group and the Property Management Group.

Despite the overlapping roles assumed by Mr. Lam and Mr. Lam Yu in our Group, our corporate Controlling Shareholders and the Property Management Group, when performing their duties in each of our Group and the Property Management Group, they have been and will continue to be supported by the separate and independent board and senior management teams of each of our Group and the Property Management Group.

Mr. Lam Yu has been managing the business of our Group and of the Property Management Group since 2017, during which he has been successful in allocating his time and effort between these two groups. Mr. Lam Yu is primarily responsible for the project management, human resources and brand marketing of our Group and the overall decision making of the Property Management Group, and his roles and functions in both groups are not expected to be onerous on a daily basis, as Mr. Lam Yu has been and will continue to be supported by the separate and independent board and senior management teams of each of our Group and the Property Management Group. Mr. Lam Yu has confirmed that he will continue to devote sufficient time and attention to the affairs of our Group.

In the event that any Director, including Mr. Lam or Mr. Lam Yu is required to abstain himself from voting on matters relating to our Company due to potential conflicts of interest, our remaining Directors will have sufficient expertise and experience to fully consider any such matter. Notwithstanding the positions of Mr. Lam and Mr. Lam Yu in Radiance Group Holdings and Radiance Lifestyle Holdings, our Directors, including the independent non-executive Directors, are of the view that there are sufficient and effective control mechanisms to ensure that our Directors shall discharge their duties appropriately and safeguard the interests of our Shareholders as a whole and our Board is able to manage our business independently from our Controlling Shareholders or their close associates for the following reasons:

(a) none of the business undertaken or carried on by our Controlling Shareholders or their respective close associates outside of our Group competes with our business, and there are adequate corporate governance measures in place to manage the existing and potential conflicts of interest. Therefore, the dual roles assumed by Mr. Lam and Mr. Lam Yu will not affect the requisite degree of impartiality of our executive Directors in discharging their fiduciary duties owed to our Company;

(b) certain matters of our Group, including connected transactions and matters referred to in the Deed of Non-Competition, details of which are set out in "Deed of Non-Competition" below, must always be referred to the independent non-executive Directors for review. This helps to enhance the independence of our management from that of our Controlling Shareholders or their respective close associates;

(c) each of our Directors is aware of his fiduciary duties as a director which require, among others, that he must act for the benefit of and in the best interests of our Company and not allow any conflict between his duties as a Director and his personal interests. The Directors shall not vote in any Board resolution approving any contract or arrangement or any other proposal in which he or any of his close associates has a personal material interest and shall not be counted in the quorum present at the particular Board meeting. Therefore, in the event of a conflict of interest, the relevant Director will abstain from voting and will be excluded from deliberation by our Board. Hence, no Director will be able to influence our Board in making decisions on matters in which he or she is, or may be interested. We believe all of our Directors, including the independent non-executive Directors, have the requisite qualifications, integrity and experience to maintain an effective board and observe their fiduciary duties in the event of a conflict of interest. Please see "Directors and Senior Management — Board of Directors" in this Prospectus for a summary of the relevant experience and qualifications of our Directors; and

(d) our daily operations are managed by our senior management team and save as disclosed herein, none of them holds any senior managerial position or directorship position within the Property Management Group or our Controlling Shareholders and their close associates.

Operational Independence

We operate independently from our Controlling Shareholders and their respective close associates for the following reasons:

(a) we hold or enjoy the benefit of all relevant licenses necessary to operate our business;

(b) we have an independent management team to operate our business;

(c) we can make decisions and carry out our own business operations independently;

(d) we have our own organizational structure and departments independent from our Controlling Shareholders;

(e) we have established a set of internal control procedures to facilitate the effective operation of our business;

(f) we own or have the right to use all the operational facilities relating to our business; and

(g) we have sufficient capital, facilities and employees to operate our business independently.

Save as disclosed in the section headed "Connected Transactions — (A) Fully Exempt Continuing Connected Transactions — 1. Trademark License" in this Prospectus, we do not use other trademarks owned by our Controlling Shareholders or their respective close associates, and we hold and enjoy the benefit of all relevant licenses and qualifications necessary to carry on our current business.

Although we have entered into other continuing connected transactions which will continue after Listing, such other transactions have been entered into and will continue to be entered into on normal commercial terms and in the ordinary course of business of our Company. Please see "Connected Transactions" in this Prospectus for details of the continuing connected transactions that will continue after Listing.

Furthermore, upon Listing, any transaction that is proposed between our Company and our Controlling Shareholders and their respective associates will be required to comply with the relevant requirements under the Listing Rules.

Financial Independence

Our Group has an independent financial system and makes financial decisions according to our Group's own business needs and neither our Controlling Shareholders nor their close associates intervene with our use of funds. We have our independent internal control and accounting systems and also have an independent financial department with a team of independent financial staff responsible for discharging the treasury function.

As of the Latest Practicable Date, Ms. Lam was the holder of senior notes in the principal amount of USD5,000,000 due 2023 issued by Radiance Capital Investment. For details of such senior notes, please refer to "Financial Information — Indebtedness — Trust and Other Financing Arrangements — Other Financing Arrangements." Such senior notes will be disposed of by Ms. Lam prior to Listing.

As of the Latest Practicable Date, none of the loans of our Group were secured or guaranteed by our Controlling Shareholders.

All amounts due from and/or to our Controlling Shareholders and their respective close associates not arising out of the ordinary course of business between our Group and our Controlling Shareholders and their respective close associates will be fully repaid or settled prior to Listing using funds generated from our business operations. For details, please see Note 42 to the Accountants' Report in Appendix I to this Prospectus. Accordingly, we believe we are able to maintain financial independence from our Controlling Shareholders and their respective close associates.

Based on the above, our Directors are satisfied that we will able to maintain financial independence from the Controlling Shareholders and their respective close associates upon Listing.

DEED OF NON-COMPETITION

Each of our Controlling Shareholders has unconditionally and irrevocably undertaken to us in the Deed of Non-Competition that he/she/it will not, and will procure his/her/its close associates not to, directly or indirectly conduct or be involved in any business (other than our business) that directly or indirectly competes, or may compete, with our business, being property development (the "**Restricted Business**"), or hold shares or interest in any company or business that competes directly or indirectly with the business engaged by our Group from time to time, or conduct any Restricted Business, except where our Controlling Shareholders and their close associates hold less than 5% of the total issued share capital of any company (whose shares are listed on the Stock Exchange or any other stock exchange) which is engaged in any business that is or may be in competition with any business engaged by any member of our Group and they do not possess the right to appoint 10% or more of the directors of such company.

Further, each of our Controlling Shareholders has undertaken that if any new business investment or other business opportunity relating to the Restricted Business (the "**Competing Business Opportunity**") is identified by or made available to him/her/it or any of his/her/its close associates, he/she/it shall, and shall procure that his/her/its close associates shall, refer such Competing Business Opportunity to our Company on a timely basis by giving written notice (the "**Offer Notice**") to our Company within 30 business days of identifying such Competing Business Opportunity, the nature of the Competing Business Opportunity, the investment or acquisition costs and all other details reasonably necessary for our Company to consider whether to pursue such Competing Business Opportunity.

Upon receiving the Offer Notice, our Company shall seek approval from a board committee comprising independent non-executive Directors who do not have an interest in the Competing Business Opportunity (the "**Independent Board**") as to whether to pursue or decline the Competing Business Opportunity (any Director who has actual or potential interest in the Competing Business Opportunity shall abstain from attending (unless their attendance is specifically requested by the Independent Board) and voting at, and shall not be counted in the quorum for, any meeting convened to consider such Competing Business Opportunity). The Independent Board shall consider the financial impact of pursuing the Competing Business opportunity offered, whether the nature of the Competing Business Opportunity is consistent with our Group's strategies and development plans and the general market conditions of our business. If appropriate, the Independent Board may appoint independent financial advisors and legal advisors to assist in the decision making process in relation to such Competing Business Opportunity. The Independent Board shall, within 30 business days of receipt of the Offer Notice, inform our Controlling Shareholders in writing on behalf of our Company its decision whether to pursue or decline the Competing Business Opportunity.

The Controlling Shareholder shall be entitled but not obliged to pursue such Competing Business Opportunity if he/she/it has received a notice from the Independent Board declining such Competing Business Opportunity or if the Independent Board failed to respond within 30 business days as mentioned above. If there is any material change in the nature, terms or conditions of such Competing Business Opportunity pursued by the relevant Controlling Shareholders, it shall refer such revised Competing Business Opportunity to our Company as if it were a new Competing Business Opportunity.

The Deed of Non-Competition will lapse automatically if our Controlling Shareholders cease to hold, whether directly or indirectly, 30% or above of our Shares with voting rights or if our Shares cease to be listed on the Stock Exchange.

Each of our Controlling Shareholders has further undertaken to us that he/she/it will provide and procure his/her/its close associates to provide on best endeavor basis, all information necessary for the annual review by our independent non-executive Directors of the compliance status of the Deed of Non-Competition. They shall also make an annual declaration in the corporate governance report of our annual report on the compliance with the Deed of Non-Competition in accordance with the voluntary disclosure principle in the corporate governance report.

In addition, our Company has taken, or will take, the following measures to safeguard good corporate governance standards in respect of the Deed of Non-Competition:

- our independent non-executive Directors shall review, at least on an annual basis, compliance with the Deed of Non-Competition by our Controlling Shareholders;

- we will disclose the decisions on matters reviewed by the independent non-executive Directors (including the reasons for not taking up any Competing Business Opportunity referred to our Company) and the review by our independent non-executive Directors on the compliance with, and the enforcement of, the Deed of Non-Competition in our annual report or by way of announcement in accordance with the requirements of the Listing Rules; and

- in the event that any of our Directors and/or their respective close associates has material interests in any matter to be deliberated by our Board in relation to the compliance and enforcement of Deed of

Non-Competition, he/she may not vote on the resolutions of our Board approving the matter and shall not be counted towards the quorum for the voting pursuant to the applicable provisions in the Articles of Association.

CORPORATE GOVERNANCE MEASURES

Each of our Controlling Shareholders has confirmed that he/she/it fully comprehends his/her/its obligations to act in the best interests of us and our Shareholders. Our Directors believe that there are adequate corporate governance measures in place to manage existing and potential conflicts of interest. In order to further avoid potential conflicts of interest, we have implemented the following measures:

(a) as part of our preparation for the Global Offering, we have amended our Articles to comply with the Listing Rules. In particular, our Articles provide that, unless otherwise provided, a Director shall not vote on any resolution approving any contract or arrangement or any other proposal in which such Director or any of his/her close associates has a material interest nor shall such Director be counted in the quorum for the voting;

(b) a Director with material interests shall make full disclosure in respect of matters that conflict or potentially conflict with our interest and absent himself/herself from the board meetings on matters in which such Director or his/her close associates have a material interest;

(c) we are committed that our Board should include a balanced composition of executive and independent non-executive Directors. We have appointed three independent non-executive Directors and we believe our independent non-executive Directors possess sufficient experience and they are free of any business or other relationship which could interfere in any material manner with the exercise of their independent judgment and will be able to provide an impartial, external opinion to protect the interests of our public Shareholders. Details of our independent non-executive Directors are set out in the section headed "Directors and Senior Management — Board of Directors — Independent non-executive Directors" in this Prospectus;

(d) the corporate governance measures in relation to the implementation of the Deed of Non-Competition as set out in the paragraphs headed "Deed of Non-Competition" above in this section;

(e) the management structure of our Group includes our audit committee, remuneration committee and nomination committee, the written rules of each of which will require them to be alert to prospective conflict of interests and to formulate their proposals accordingly;

(f) pursuant to the Corporate Governance Code set out in Appendix 14 of the Listing Rules, our Directors, including our independent non-executive Directors, will be able to seek independent professional advice from external parties in appropriate circumstances at our Company's costs; and

(g) we have appointed Maxa Capital Limited as our compliance advisor, which will provide advice and guidance to us in respect of compliance with the applicable laws and the Listing Rules including various requirements relating to directors' duties and corporate governance.

OVERVIEW

Our Group has entered into a number of agreements with our connected persons the details of which are set out below. The transactions disclosed in this section will constitute our continuing connected transactions under Chapter 14A of the Listing Rules upon Listing.

(A) FULLY EXEMPT CONTINUING CONNECTED TRANSACTIONS

1. Trademark License

On October 13, 2020, a trademark licensing deed was entered into between our Company and Radiance Group Holdings (the "**Trademark Licensing Deed**"), pursuant to which Radiance Group Holdings agreed to irrevocably and unconditionally grant to our Company and other members of our Group a license to use six trademarks registered in Hong Kong and all other trademarks to be registered in any territory by itself necessary for use in our business in the future (the "**Radiance Trademarks**") for a perpetual term commencing from the date of the Trademark Licensing Deed (or where a trademark is registered after the date of the Trademark Licensing Deed, the date of registration of such trademark) on a royalty-free basis, subject to the relevant Radiance Trademarks' effective period of registration (including the effective period as extended by renewal of registration). Pursuant to the Trademark Licensing Deed, Radiance Group Holdings has agreed to maintain the registration of the Radiance Trademarks during the term of the Trademark Licensing Deed. Details of the six trademarks licensed as at the date of the Trademark Licensing Deed are set forth in "Statutory and General Information — B. Further Information about our Business — 2. Intellectual property rights of our Group" in Appendix V to this Prospectus.

Our Directors believe that entering into a trademark licensing deed with a perpetual term can ensure the stability of our operations, and is beneficial to the interests of our Shareholders as a whole. The Directors are of the view that it is normal business practice for arrangements of this type to be of such duration.

As of the Latest Practicable Date, Radiance Group Holdings was owned as to 64.97% by Mr. Lam and 35.03% by Ms. Lam. Radiance Group Holdings is therefore a connected person of our Company for the purpose of the Listing Rules. Accordingly, the transaction contemplated under the Trademark Licensing Deed will constitute a continuing connected transaction for our Company under Chapter 14A of the Listing Rules upon Listing.

As the right to use the Radiance Trademarks is granted on a royalty-free basis under the Trademark Licensing Deed, the transaction under the Trademark Licensing Deed will constitute a *de minimis* continuing connected transaction for our Company that will be exempt from reporting, annual review, announcement and independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

2. Office leasing

We have historically leased certain premises to Beijing Jinhui Jinjiang for commercial use during our ordinary and usual course of business. For the purpose of achieving a clear delineation between the business of our Group and those of our Controlling Shareholders, we disposed of Beijing Jinhui Jinjiang to 福州金惠物業管理有限公司 (Fuzhou Jinhui Property Management Co., Ltd.) on December 23, 2019. Details of such disposals are set forth in "History, Reorganization and Corporate Structure — Reorganization — Disposals of Beijing Jinhui Jinjiang and Xi'an Jinhui Square Commercial Property Management" to this Prospectus. As of the Latest Practicable Date, Beijing Jinhui Jinjiang was an indirect wholly-owned subsidiary of Radiance Lifestyle Holdings, which is a subsidiary of Radiance Group Holdings and a fellow subsidiary of our Company.

On October 13, 2020, our Company entered into a property lease framework agreement (the "**Property Lease Framework Agreement**") with Radiance Lifestyle Holdings, pursuant to which we agreed to lease certain premises to Radiance Lifestyle Holdings and its subsidiaries for commercial use. The Property Lease Framework Agreement has a term commencing from the Listing Date to December 31, 2022.

As the Property Lease Framework Agreement is a framework agreement, both parties and/or their relevant subsidiaries will enter into separate lease agreements which will set out the specific terms and conditions according to the principles provided in the Property Lease Framework Agreement.

We had leased one property located in Chongqing to a subsidiary of Radiance Lifestyle Holdings during the two years ended December 31, 2018 for commercial use. During the year ended December 31, 2019, we leased one additional property located in Beijing to such subsidiary, also for commercial use, bringing the total count of leased properties to two in such year. As of the Latest Practicable Date, we were leasing the same two properties to such subsidiary, one of which we started to recognize lease income from late December 2019 and the other from May 2020. For the four months ended April 30, 2020, our lease income recognized from the leasing of such properties amounted to approximately RMB0.2 million.

The above described two properties will continue to be leased to the subsidiary of Radiance Lifestyle Holdings upon Listing. Our Directors estimate that the aggregate rental payable to our Group pursuant to the Property Lease Framework Agreement for the years ending December 31, 2020, 2021 and 2022 will not exceed RMB1.5 million, RMB2.2 million and RMB3.0 million, respectively. The total rent payable under the Property Lease Framework Agreement will be determined after arm's length negotiations with reference to factors including (i) the prevailing market rent for properties in similar locations; and (ii) the expected increase in number of premises to be leased by our Group to Radiance Lifestyle Holdings and/or its subsidiaries pursuant to the Property Lease Framework Agreement, and will be on terms no more favorable than those offered by us to Independent Third Parties. In particular, the maximum aggregate rental payable to our Group pursuant to the Property Lease Framework Agreement for the year ending December 31, 2020 has been estimated based on factors including the expectation that one additional property will be leased to Radiance Lifestyle Holdings and/or its subsidiary in the fourth quarter of such year, the fact that we only started to recognize lease income in May 2020 for the Beijing property, as well as two instances of upward adjustment of rental for the Chongqing property which took retrospective effect from January 2020 and from July 2020, respectively. The adjustments have been made pursuant to advice from an independent valuer having considered the market rate and market conditions in the PRC. The shortfall in the rental amount for the Chongqing property the four months ended April 30, 2020 after the adjustment which took retrospective effect from January 2020 was received by us subsequent to April 2020.

We expect to lease to Radiance Lifestyle Holdings and/or its subsidiary one additional property located in Langfang in the fourth quarter of 2020 and a further one property in Wuhan in 2022, in both cases at an expected monthly rental of approximately RMB61,000 per month (which may subject to adjustment in accordance with market rental in the relevant cities in the relevant years of lease). The estimated GFA of these new properties to be leased has been estimated with reference to the GFA of the current leased property located in Chongqing of approximately 1,561 sq.m. It is expected that these new properties will have a smaller GFA of approximately 1,361 sq.m.

JLL, the independent property valuer to our Company, has reviewed the Property Lease Framework Agreement and all of the rentals payable pursuant to the Property Lease Framework Agreement and confirmed that the rentals payable by our Group to Radiance Lifestyle Holdings reflect the prevailing market rates of comparable properties and are fair and reasonable.

Radiance Lifestyle Holdings is wholly owned by Radiance Group Holdings, which is in turn owned as to 64.97% by Mr. Lam and 35.03% by Ms. Lam. Radiance Lifestyle Holdings is therefore a connected person of our Company for the purpose of the Listing Rules. Accordingly, the transaction under the Property Lease Framework Agreement will constitute a continuing connected transaction for our Company under Chapter 14A of the Listing Rules upon Listing.

As each of the applicable percentage ratios (except for the profit ratio) under the Listing Rules in respect of the highest annual cap in relation to the Property Lease Framework Agreement is expected to be less than 0.1% on an annual basis, such transaction will constitute a *de minimis* continuing connected transaction of our Company that will be exempt from reporting, annual review, announcement and independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

(B) CONTINUING CONNECTED TRANSACTION SUBJECT TO THE REPORTING, ANNUAL REVIEW AND ANNOUNCEMENT REQUIREMENTS BUT EXEMPT FROM THE INDEPENDENT SHAREHOLDERS' APPROVAL REQUIREMENT

Property Management Services

We have historically engaged Beijing Jinhui Jinjiang and 西安金輝廣場商業物業管理有限公司 (Xi'an Jinhui Square Commercial Property Management Co., Ltd.*) to provide property management and related services to our Group during our ordinary and usual course of business.

On October 13, 2020, our Company entered into a property management related services framework agreement (the "**Property Management Related Services Framework Agreement**") with Radiance Lifestyle Holdings, pursuant to which we agreed to engage Radiance Lifestyle Holdings and/or its subsidiaries to provide property management and related services to our Group, including but not limited to (i) management services for unsold units and unsold car parking spaces; (ii) pre-delivery management and value-added services which primarily include (a) planning and design consultancy; (b) inspection, cleaning and repair of units; (c) site security; and (d) ancillary facilities management services; and (iii) sales management services which primarily include property management of display units, and off- and on-site sales offices (the "**Property Management Related Services**"). The Property Management Related Services Framework Agreement has a term commencing from the Listing Date to December 31, 2022.

For the years ended December 31, 2017, 2018, 2019 and the four months ended April 30, 2020, the total service fees paid by our Group to the subsidiaries of Radiance Lifestyle Holdings in respect of the Property Management Related Services provided for our property projects amounted to approximately RMB90 million, RMB102 million, RMB150 million and RMB34 million, respectively. The service fees paid by us for the Property Management Related Services increased substantially for the year ended

December 31, 2019 as compared with the year ended December 31, 2018 mainly due to an increase in the number of unsold property units which were available for sale and the total number of property units which are available for delivery. The service fees to be charged for the Property Management Related Services shall be determined after arm's length negotiations with reference to, including but not limited to, the historical service fees, the total GFA of the property development projects of which such Property Management Related Services is required, the anticipated operational costs (including labor costs, material costs and administrative costs) and the guidance rate set by the relevant government authorities (if any) or the prevailing market price for similar services and similar type of projects and shall be no less favorable than those quoted by Independent Third Parties to us.

Our Directors estimate that the maximum transaction amounts under the Property Management Related Services Framework Agreement for the years ending December 31, 2020, 2021 and 2022 will not exceed RMB221 million, RMB301 million and RMB401 million, respectively. Such estimate is based on (i) the number of current property projects for which we have engaged Radiance Lifestyle Holdings and/or its subsidiaries to provide the Property Management Related Services; (ii) the historical transaction amounts during the Track Record Period; (iii) the estimated GFA of the properties expected to be sold and delivered by us that will require Property Management Related Services in the relevant years, projected with reference to land bank and the delivery plans of property projects of the Group as of July 31, 2020 and the trend of increase of properties delivered and land acquisition plan during the Track Record Period and up to July 31, 2020; and (iv) the average service fees of the Property Management Related Services provided by Radiance Lifestyle Holdings and/or its subsidiaries during the Track Record Period. In particular, the expected maximum amount of service fees for the year ending December 31, 2020 has been estimated based on the expectation that more properties will be delivered in the second half of 2020 as compared to the first half to make up for deliveries due and ready in February and March 2020 but which were temporarily held up due to the COVID-19 pandemic. With delivery of property development projects having fully resumed, our demand for the Property Management Related Services from Radiance Lifestyle Holdings and its subsidiaries pursuant to the Property Management Related Services Framework Agreement has since increased as compared to the four months ended April 30, 2020.

The Property Management Related Services Framework Agreement is a framework agreement which provides the mechanism for the operation of the connected transaction described therein. It is envisaged that from time to time and as required, individual service contracts may be entered into between our Group and Radiance Lifestyle Holdings and/or its subsidiaries. Each individual service contract will set out the Property Management Related Services to be provided by Radiance Lifestyle Holdings and/or its subsidiaries to our Group, the fees payable by our Group and any detailed specifications which may be relevant to those engagements. The individual service contracts may only contain provisions which are in all material respects consistent with the binding principles, guidelines, terms and conditions set out in the Property Management Related Services Framework Agreement.

Radiance Lifestyle Holdings is wholly owned by Radiance Group Holdings, which is in turn owned as to 64.97% by Mr. Lam and 35.03% by Ms. Lam. Radiance Lifestyle Holdings is therefore a connected person of our Company for the purpose of the Listing Rules. Accordingly, the transaction under the Property Management Related Services Framework Agreement will a constitute continuing connected transaction for our Company under Chapter 14A of the Listing Rules upon Listing.

As each of the applicable percentage ratios (except for the profit ratio) under the Listing Rules in respect of the highest annual cap in relation to the Property Management Related Services Framework

Agreement is expected to be over 0.1% but less than 5% on an annual basis, such transaction will constitute a continuing connected transaction for our Company that are exempt from the independent Shareholders' approval requirement but subject to the reporting, annual review and announcement requirements under Chapter 14A of the Listing Rules.

(C) WAIVER

The transaction described under the section headed "— (B) Continuing Connected Transaction subject to the Reporting, Annual Review, Announcement Requirements but exempt from the Independent Shareholders' Approval Requirement" in this section constitutes our continuing connected transaction under the Listing Rules, which is exempt from the independent Shareholders' approval requirement but subject to the reporting, annual review and announcement requirements of the Listing Rules.

We have applied for, and the Stock Exchange has granted, waiver exempting from strict compliance with the applicable requirements under Chapter 14A of the Listing Rules pursuant to Rule 14A.105 of the Listing Rules in respect of the non-exempt continuing connected transaction described above subject to the condition that the aggregate of such non-exempt continuing connected transaction for each financial year shall not exceed the relevant annual amounts stated above. Should there be any material changes to the terms thereunder, or should there be any other agreements to be entered into between our Group and the connected persons of our Company, or upon expiry of such waivers, we will comply with the applicable requirements under the Listing Rules and may apply for relevant waivers (where applicable).

Apart from the relevant requirements of which the waiver is sought, our Company will comply with the relevant requirements under Chapter 14A of the Listing Rules.

(D) DIRECTORS' VIEWS

Our Directors, including the independent non-executive Directors, are of the view that the continuing connected transaction described under the section headed "— (B) Continuing Connected Transaction subject to the Reporting, Annual Review, Announcement Requirements but exempt from the Independent Shareholders' Approval Requirement" have been and will be carried out: (i) in the ordinary and usual course of our business; (ii) on normal commercial terms or better that are fair and reasonable, and in the interests of our Company and our Shareholders as a whole; and (iii) the annual caps thereof are fair and reasonable and in the interest of our Group and our Shareholders as a whole.

Save as disclosed in this section, our Directors currently do not expect that immediately following the Listing, there will be any other transaction which will constitute a continuing connected transaction of our Company under the Listing Rules.

(E) JOINT SPONSORS' VIEW

Based on the due diligence findings and confirmation from our Group, the Joint Sponsors are of the view that the continuing connected transaction described under the section headed "— (B) Continuing Connected Transaction subject to the Reporting, Annual Review, Announcement Requirements but exempt from the Independent Shareholders' Approval Requirement" have been entered into in the ordinary and usual course of our business, are on normal commercial terms or better, are fair and reasonable and in the interests of our Company and our Shareholders as a whole, and that the proposed annual caps for the transactions referred to in this section are fair and reasonable, and in the interest of our Company and our Shareholders as a whole.

BOARD OF DIRECTORS

Our Board is responsible and has general power for the management and conduct of our business. Our Board consists of seven Directors, of whom four are executive Directors and three are independent non-executive Directors. The following table sets forth the information concerning our Directors:

Name	Age	Position	Date of appointment as Director	Date of Joining our Group	Roles and responsibilities in our Group	Relationship with other Directors and senior management
Mr. Lam Ting Keung (林定强)	53	Chairman of the Board, executive Director and chief executive officer	October 17, 2019	September 2, 1996	Founder of our Group. Responsible for the leadership, overall strategic planning and major investment and decision making of our Group	Father of Mr. Lam Yu
Mr. Lam Yu (林宇)	30	Executive Director and executive president	October 17, 2019	March 19, 2011	Responsible for the project management, human resources and brand marketing of our Group	Son of Mr. Lam Ting Keung
Mr. Chen Chaorong (陳朝榮)	46	Executive Director and executive president	October 17, 2019	August 1, 2006	Responsible for the investment, financing and legal matters of our Group	None
Mr. Huang Junquan (黃俊泉)	48	Executive Director and senior vice president	October 17, 2019	January 5, 2009	Responsible for the project operations, architecture design and customer services of our Group	None
Mr. Zhang Huaqiao (張化橋)	57	Independent non-executive Director	October 5, 2020	June 12, 2016	Providing independent advice on the operations and management of our Group	None
Mr. Tse Yat Hong (謝日康)	50	Independent non-executive Director	October 5, 2020	October 5, 2020	Providing independent advice on the operations and management of our Group	None
Mr. Chung Chong Sun (鍾創新) . . .	45	Independent non-executive Director	October 5, 2020	October 5, 2020	Providing independent advice on the operations and management of our Group	None

Executive Directors

Mr. Lam Ting Keung (林定强), aged 53, founded our Group in September 1996. Mr. Lam was appointed as our Director on October 17, 2019 and was re-designated as our executive Director on March 16, 2020. Mr. Lam is currently the chairman of the Board and the chief executive officer of the Group as well. He is primarily responsible for the leadership, overall strategic planning, major investment and decision making of our Group. Mr. Lam also has over 26 years of experience in the PRC real estate industry.

Currently, Mr. Lam is a member of the National Committee of the Chinese People's Political Consultative Conference (全國政治協商會議全國委員會) since March 2013, a standing member of All-China Federation of Returned Overseas Chinese （中華全國歸國華僑聯合會) since July 2009, a vice president of the Overseas Chinese Charity Foundation of China (中國華僑公益基金會) since December 2015, a vice president of the Overseas Chinese Entrepreneurs Association（中國僑商聯合會）since December 2010. He is also a permanent honorary chairman of Hong Kong-Fujian Association (香港福建社團聯會), Hong Kong Federation Overseas Chinese Association (香港僑屆社團聯會) and Hong Kong-Fuzhou Shiyi Fellow Association (香港福州十邑同鄉會) since May 2008, December 2018 and July 2002, respectively. Mr. Lam obtained the Enthusiastic Overseas Chinese Outstanding Contribution Award（熱心海外華教人士杰出貢獻獎）granted by Overseas Chinese Affairs Office of the State Council (國務院僑務辦公室) in December 2017 and the 2018 Annual Overseas Chinese Charity Star (2018年度僑愛心慈善之星) granted by Overseas Chinese Charity Foundation of China (中國華僑公益基金會) in December 2018.

Mr. Lam is the father of Mr. Lam Yu, our executive Director.

Mr. Lam Yu（林宇）, aged 30, was appointed as our Director on October 17, 2019 and was re-designated as our executive Director on March 16, 2020. Mr. Lam Yu is also an executive president of our Group and is primarily responsible for the project management, human resources and brand marketing of our Group and has held various positions in Radiance Group including director, deputy general manager and vice president. He joined our Group in March 2011 as a director of Yancheng Jinhui Juye and had been a director of our various subsidiaries.

Mr. Lam Yu participated in the Advanced Seminar for Chief Executive Officers on Real Estate Development and Investment and Finance at Tsinghua University (清華大學房地產開發與投融資總裁高級研修班) from May 2010 to March 2011.

Mr. Lam Yu is the son of Mr. Lam, our executive Director.

Mr. Chen Chaorong (陳朝榮), aged 46, was appointed as our Director on October 17, 2019 and was re-designated as our executive Director on March 16, 2020. Mr. Chen is also an executive president of our Group and is primarily responsible for the investment, financing and legal matters of our Group. Mr. Chen joined our Group as an assistant to general manager of Radiance Group in August 2006 and has held various positions in Radiance Group, including financial director, company secretary, deputy general manager and director.

From June 2000 to August 2002, Mr. Chen worked in Fuzhou branch office of China Great Wall Asset Management Corporation (中國長城資產管理公司), an asset management company in the PRC. From August 2002 to June 2006, Mr. Chen served as a project manager in Fujian Huaxing Certified Public Accountants LLP (福建華興會計師事務所), an accounting firm in the PRC.

Mr. Chen obtained a bachelor's degree in investment economics from Central University of Finance and Economics (中央財經大學) (formerly known as Central College of Finance and Banking (中央財政金融學院)) in the PRC in June 1995. He also obtained a master's degree in business administration from Tsinghua University (清華大學) in the PRC in July 2019. Mr. Chen obtained the qualification of Senior Accountant granted by Fujian

Provincial Department of Human Resources and Social Security (福建省人力資源和社會保障廳) (formerly known as Fujian Provincial Department of Human Resources (福建省人事廳)) in May 2008. Currently, Mr. Chen is a member of the Eighth session of Chinese Real Estate Association (中國房地產業協會).

Mr. Huang Junquan (黃俊泉), aged 48, was appointed as our Director on October 17, 2019 and was re-designated as our executive Director on March 16, 2020. Mr. Huang is also a senior vice president of our Group and is primarily responsible for the project operations, architecture design and customer services of our Group. He joined our Group in January 2009 as the vice president of Radiance Group and was promoted as the senior vice president and director of Radiance Group in September 2018.

From September 1995 to December 2005, Mr. Huang served in 廈門中建東北設計院有限公司 (Xiamen Zhongjian Northeast Architectural Design & Research Institute Co., Ltd.) with his last position as the director in a branch office, where he was primarily responsible for the design management of the Fuzhou branch. From January 2006 to December 2008, he served as a director in the Fuzhou branch of 北京中華建規劃設計研究院有限公司福建分公司 (Beijing Zhonghuajian Planning and Design Institute Co., Ltd.), where he was primarily responsible for the design business and overall operation of such company.

Mr. Huang obtained a bachelor's degree in architecture from Tianjin University (天津大學) in the PRC in July 1995. He obtained qualifications for Class 1 Registered Architect (一級註冊建築師) granted by MOHURD, Ministry of Human Resource and Social Security of the People's Republic of China (中華人民共和國人力資源和社會保障部) formerly known as Ministry of Personnel of the People's Republic of China (中華人民共和國人事部) and Fujian Provincial Department of Human Resource and Social Security in April 2001. He obtained the qualification of Senior Architect (高級建築師) granted by 中國建築東北設計研究院 (China Construction Northeast Architectural Design & Research Institute) in September 2002. He is the vice president of Fuzhou Real Estate Association (福州房地產業協會).

Independent non-executive Directors

Mr. Zhang Huaqiao (張化橋), aged 57, was appointed as the independent director of Radiance Group in June 2016. Mr. Zhang's appointment was solely to enable him to serve as an independent director of Radiance Group upon its listing on the Shanghai Stock Exchange, the application for which was still pending at the time of his appointment. As such listing has not taken place, he has not taken part in the day-to-day operations and management of Radiance Group or of the Group. Mr. Zhang was further appointed as our independent non-executive Director on October 5, 2020. Mr. Zhang is primarily responsible for providing independent advice on the operations and management of our Group.

From July 1994 to July 1995, Mr. Zhang worked as analyst in Equity Capital Markets Department of Swiss Bank Corporation Warburg. From June 1999 to April 2006, he worked in the equities department of Union Bank of Switzerland (Hong Kong branch) (瑞士銀行), a Swiss multinational investment bank and financial services company, with the last position as the co-head of the China research team. From May 2006 to September 2008, he served in Shenzhen Investment Limited (深圳控股有限公司) with his last position as chief operation officer and executive director, a real estate development company, which shares are listed on the Stock Exchange(stock code: 0604). From September 2008 to June 2011, he was employed by UBS AG with the last capacity as a deputy head of UBS China IBD with the corporate rank of managing director in the Investment Banking Department. From September 2011 to April 2012, he served as an executive director and chief executive officer of Man Sang International Limited (民生國際有限公司), a real estate development company, which shares are listed on the Stock Exchange (stock code: 0938).

In addition, Mr. Zhang currently holds or had held directorship in the following companies listed on the Stock Exchange:

Name of Entity	Stock code	Position and Period of Time
Shenzhen International Holdings Limited (深圳國際控股有限公司)	0152	non-executive director; April 2006 to September 2008
Kasen International Holdings Limited (卡森國際控股有限公司)	0496	independent non-executive director; July 2006 to October 2008
Suncity Group Holdings Limited (太陽城集團控股有限公司)	1383	non-executive director; August 2006 to September 2008
Coastal Greenland Limited (沿海綠色家園有限公司)	1124	non-executive director; January 2007 to September 2009
Carrianna Group Holdings Company Limited (佳寧娜集團控股有限公司) (formerly known as Tak Sing Alliance Holdings Limited (達成集團)	0126	non-executive director; April 2007 to September 2009
OP Financial Limited (東英金融有限公司)	1140	non-executive director; November 2007 to October 2008
Yuexiu Property Company Limited (越秀地產股份有限公司)	0123	non-executive director; April 2008 to September 2008
Boer Power Holdings Limited (博耳電力控股有限公司)	1685	non-executive director; November 2011 to May 2019
China Smartpay Group Holdings Limited (中國支付通集團控股有限公司)	8325	non-executive director; September 2012 to May 2015 executive director; May 2015 to September 2017 non-executive director; September 2017 to Jan 2020
Fuguiniao Co., Ltd. (富貴鳥股份有限公司)	1819	independent non-executive director; May 2013 to June 2014
Ernest Borel Holdings Limited (依波路控股有限公司)	1856	independent non-executive director; June 2014 to November 2014
Wanda Hotel Development Company Limited (萬達酒店發展有限公司)	0169	independent non-executive director; September 2014 to May 2018
Sinopec Oilfield Service Corporation (中石化石油工程技術服務股份有限公司)	1033	independent non-executive director; February 2015 to June 2018
China Huirong Financial Holdings Limited （中國匯融金融控股有限公司）	1290	independent non-executive director; since October 2013
Fosun International Limited (復星國際有限公司)	0656	independent non-executive director; since March 2012
Logan Property Holdings Company Limited (龍光地產控股有限公司)	3380	independent non-executive director; since November 2013
Zhong An Group Limited (眾安集團有限公司)	0672	independent non-executive director; since January 2013
Luye Pharma Group Limited (綠葉製藥集團有限公司)	2186	independent non-executive director; since June 2014

Mr. Zhang also served as an independent non-executive director of Yancoal Australia Limited, which shares are listed on the Australian Securities Exchange (ASX code: YAL), from April 2014 to January 2018 and an independent non-executive director of China Rapid Finance Ltd., which shares are listed on the New York Stock Exchange (stock code: XRF), from April 2017 to March 2019.

While Mr. Zhang is currently holding directorships in five other companies listed on the Stock Exchange as disclosed above, our Directors are of the view that Mr. Zhang will be able to devote sufficient time to discharge his duties and responsibilities as an independent non-executive Director given that: (i) his roles in other listed companies primarily requires him to oversee their management independently, rather than to allocate substantial time on the participation of the day-to-day management and operations of their respective businesses; (ii) he has demonstrated that he is capable of devoting sufficient time to discharge his duties owed to each of these listed companies by attending board meetings and board committee meetings of these listed companies during their latest financial year, as disclosed in the annual reports of the relevant listed companies; (iii) he has acquired extensive management experience and developed substantial knowledge on corporate governance through his directorships in other listed companies, which is expected to facilitate the proper discharge of his duties and responsibilities as an independent non-executive Director; and (iv) he has confirmed that he will have sufficient time to fulfill his duties as an independent non-executive Director notwithstanding his existing independent non-executive directorships in five other listed companies.

Mr. Zhang obtained a bachelor's degree in financial and banking from Zhongnan University of Economics and Law (中南財經政法大學) (formerly known as Hubei Financial and Banking Institute (湖北財經學院)) in July 1983. He also obtained a master's degree in economics from both the Graduate School of the People's Bank of China (中國人民銀行研究生部) in the PRC in July 1986 and Australian National University in Australia in April 1991, respectively.

Mr. Tse Yat Hong (謝日康), aged 50, was appointed as our independent non-executive Director on October 5, 2020. Mr. Tse is primarily responsible for providing independent advice on the operations and management to our Board.

From January 1994 to May 2000, Mr. Tse worked as an audit manager in PricewaterhouseCoopers, an accounting firm. From June 2000 to May 2019, Mr. Tse worked as the chief financial officer in Shenzhen International Holdings Limited (深圳國際控股有限公司), a company engages in the investment, construction and operation of logistics infrastructure facilities, whose shares are listed on the Stock Exchange (stock code: 0152), where he was primarily responsible for the overall financial management and capital market operation of such company. From August 2000 to March 2008, Mr. Tse also worked as the company secretary of Shenzhen International Holdings Limited. From September 2004 to September 2007, Mr. Tse worked as a joint company secretary of Shenzhen Expressway Company Limited (深圳高速公路股份有限公司).

Mr. Tse is currently an independent non-executive director of China Bohai Bank Co., Ltd. (渤海銀行股份有限公司), a PRC commercial bank, whose H shares are listed on the Stock Exchange (stock code: 9668), an independent non-executive director of China Huirong Financial Holdings Limited (中國匯融金融控股有限公司), a company engages in the provision of diversified financial services in China, whose shares are listed on the Stock Exchange (stock code: 1290) and an independent non-executive director of Sky Light Holdings Limited (天彩控股有限公司), a developer and manufacturer of home surveillance cameras and other digital imaging products, whose shares are listed on the Stock Exchange (stock code: 3882). Mr. Tse served as a non-executive director of Shenzhen Expressway Company Limited from January 2009 to December 2017, a toll road operator in China, whose shares are listed on the Stock Exchange (stock code: 0548) and the Shanghai Stock Exchange (stock code: 600548). He was also an independent non-executive director of Casablanca Group Limited (卡撒天嬌集團有限公司) from October 2012 to April 2015, a leading branded bedding products companies in the PRC and Hong Kong, whose shares are listed on the Stock Exchange (stock code: 2223).

Mr. Tse obtained a bachelor 's degree in science from Monash University in Australia in April 1992. He is a Fellow of the Hong Kong Institute of Certified Public Accountants (HKICPA) and a FCPA of CPA Australia.

Mr. Chung Chong Sun (鍾創新), aged 45 was appointed as our independent non-executive Director on October 5, 2020. Mr. Chung is primarily responsible for providing independent advice on the operations and management of our Group.

From July 1997 to May 2000, Mr. Chung worked as an associate of the investment bank department in Standard Chartered Bank (Hong Kong) as his last position, where he was primarily responsible for the projects of initial public offering, corporate finance and financial advice. From May 2000 to July 2001, Mr. Chung worked as a senior executive in Deloitte & Touche Corporate Finance Limited, where he was primarily responsible for the projects of initial public offering, corporate finance and financial advice. From August 2001 to August 2003, Mr. Chung worked as an associate director of merger and acquisition department in Cooperative Rabobank U.A. Hong Kong Branch, a Dutch multinational banking and financial services company. From August 2003 to December 2005, Mr. Chung worked as an investor support officer in InvestHK of the government of Hong Kong. From December 2005 to September 2018, Mr. Chung worked as senior vice president of Issuer Services, Market Development Department in Hong Kong Exchanges and Clearing Limited. From September 2018 to July 2019, Mr. Chung worked as a chief financial officer in Xiaoi Robot Technology (H.K.) Limited, where he was primarily responsible for financial functions, risk management, fund raising, capital market operation and investor relations. He has been the director of Resourceful Minds Limited (滙路有限公司) since September 2019, a consulting company, where he has been primarily responsible for the development strategies and daily operation of such company.

Mr. Chung obtained a bachelor's degree in business administration from the Chinese University of Hong Kong in Hong Kong in May 1997. He is also a CPA of American Institute of Certified Public Accountants, a CPA of Washington State Board of Accountancy and a CFA of CFA Institute. Mr. Chung has been appointed as a member of the Advisory committee of IT Innovation Lab in Secondary School Initiative of Hong Kong secondary schools by the government of Hong Kong since September 2020. He had also been served as a contact convener of the artificial intelligence and high technology committee in Hong Kong Chamber of Commerce in China (Shanghai) (中國香港（地區）商會-上海) from November 2018 to November 2019. In addition, he has been the vice president of the executive committee of the listed companies council under the Hong Kong Chinese Enterprises Association.

Saved as disclosed in this section above, none of our Directors has any other directorships in any other listed on Hong Kong or overseas during the three years immediately prior to the date of this Prospectus.

Please refer to the section headed "Statutory and General Information — C. Further Information about Our Directors and Substantial Shareholders" in Appendix V to this Prospectus for details of our Director's respective interests or short positions (if any) in our Shares and particulars of our Directors' service contracts and letters of appointment.

Saved as disclosed in this section above, each of our Directors has confirmed that there are no other matters relating to his appointment as a Director that need to be brought to the attention of our Shareholders and there is no other information in relation to his appointment which is required to be disclosed pursuant to Rule 13.51(2) of the Listing Rules.

SENIOR MANAGEMENT

Our executive Directors and other members of senior management are responsible for the day-to-day management of our business. The following table sets out certain information concerning our senior management.

Name	Age	Position	Date of Joining our Group	Date of Appointment to current position	Roles and responsibilities in our Group
Ms. Guo Yanfang (郭艷芳)	46	Assistant president	April 12, 2016	April 12, 2016	Responsible for the cost management, procurement management and engineering management of our Group
Mr. Chiu Ngam (趙岩)	46	Chief financial officer and company secretary	August 5, 2019	August 5, 2019 and November 19, 2019, respectively	Responsible for the financial management and company secretarial matters of our Group

Ms. Guo Yanfang (郭艷芳), aged 46, was appointed as our assistant president in April 12, 2016 and is primarily responsible for the cost management, procurement management and engineering management of our Group. Ms. Guo joined our Group as an assistant president of Radiance Group in April 2016.

Prior to joining our Group, from May 2000 to October 2004, Ms. Guo worked in 北京新康房地產開發有限公司 (Beijing Xinkang Properties Development Co., Ltd.), a property development company. From March 2005 to September 2006, she worked as a manager in the budget contract department of 北京當代置業有限公司 (Beijing Modern Real Estate Development Co., Ltd.), a property development company. From February 2007 to February 2010, she worked as a director in the project cost center of 北京通瑞置業有限公司 (Beijing Tongrui Real Estate Co., Ltd.), a property development company, where she was primarily responsible for the target cost, purchasing and pre-settlement management. From February 2010 to July 2014, she worked as a deputy general manager in the operation department of 青島龍湖置業拓展有限公司 (Qingdao Longfor Real Estate Development Co., Ltd.), a property development company, where she was primarily responsible for the development strategy and operation plan. From July 2014 to April 2016, she worked as the responsible officer in cost purchasing department of 龍湖集團控股有限公司 (Longfor Group Holdings Limited), a property development company, which shares are listed on the Stock Exchange (stock code: 0960), where she was primarily responsible for cost review.

Ms. Guo obtained a bachelor's degree in heating ventilation and air conditioning from Harbin University of Civil Engineering and Architecture (哈爾濱建築大學). She obtained the qualification of Senior Engineer specialized in heating ventilation granted by 中國建築第八工程局有限公司 (China Construction Eighth Engineering Division Co., Ltd.) in July 2007.

Mr. Chiu Ngam (趙岩), aged 46, was appointed as our chief financial officer and company secretary in August 2019 and November 2019, respectively, and is primarily responsible for the financial management and company secretarial matters of our Group.

Prior to joining our Group, Mr. Chiu worked in PricewaterhouseCoopers Hong Kong, an international accounting firm, from August 1997 to November 2001, with his last position as a senior associate. From November 2001 to May 2002, he worked as a senior accountant in eForce Holdings Limited (意科控股有限公司), a manufacturer and seller of healthcare and household products, which shares are listed on the Stock Exchange (stock code: 0943). From May 2002 to August 2004, he worked as a finance manager in Minmetals Land Limited (五礦地產有限公司) (formerly known as ONFEM Holdings Limited (東方有色集團有限公司)), a company engaged in real estate development, specialized construction, property leasing and manufacturing, which shares were listed in the Stock Exchange (stock code: 0230). From August 2004 to June 2005, he worked as a chief financial officer and company secretary of Shandong Jinchuang Company Limited (山東金創股份有限公司), a gold mining company. From June 2005 to May 2007, he worked as an assistant financial controller in ITC Properties Management Limited (德祥地產管理有限公司), a property development and investment company and the shares of its parent company, ITC Properties Group Limited, are listed on the Stock Exchange (stock code: 0199). From May 2007 to March 2008, he worked as a group financial controller in Carrianna Group Holdings Company Limited (佳寧娜集團控股有限公司) (formerly known as Tak Sing Alliance Holdings Limited (達成集團)), a company engaged in property, restaurant, food and hotel, which shares are listed on the Stock Exchange (stock code: 0126). From February 2008 to November 2008, he worked as a financial controller in China Oriental Group Company Limited (中國東方集團控股有限公司), a manufacturer and seller of steel and property developer, which shares are listed on the Stock Exchange (stock code: 0581). From April 2009 to March 2010, he worked as a vice president — finance in Genting Hong Kong Limited (雲頂香港有限公司) a cruise, entertainment and hospitality company, which shares are listed on the Stock Exchange (stock code: 0678). From March 2010 to July 2015, he worked as a financial controller and company secretary in Century Ginwa Retail Holdings Limited (世紀金花商業控股有限公司), a commercial property operator and investment company, which shares are listed on the Stock Exchange (stock code: 0162). From July 2015 to February 2017, he worked in China Sandi Holdings Limited (中國三迪控股有限公司), a property development and property investment company, which shares are listed on the Stock Exchange (stock code: 0910) with his last position as a financial controller and company secretary. From February 2017 to February 2019, he served in China New City Commercial Holdings Limited (中國新城市商業發展有限公司), a property development company, which shares are listed on the Stock Exchange (stock code: 1321) with his last position as a chief financial officer and company secretary. From December 2018 to August 2019, he worked in Sansheng Holdings (Group) Co., Ltd. (三盛控股（集團）有限公司), a property development and property investment company, which shares are listed on the Stock Exchange (stock code: 2183), with his last position as chief financial officer.

Mr. Chiu obtained a bachelor's degree in business administration in accounting from Hong Kong University of Science and Technology in Hong Kong in July 1997. He is also a FCPA of The Hong Kong Institute of Certified Public Accountants, a CPA of American Institute of Certified Public Accountants and a CPA of Washington State Board of Accountancy.

Company Secretary

Mr. Chiu Ngam was appointed as our company secretary on November 19, 2019. For further details of his qualification and experience, please refer to the paragraph headed "Senior management" in this section.

BOARD COMMITTEES

Audit Committee

Our Group established an audit committee on October 5, 2020 with written terms of reference in compliance with Rule 3.21 of the Listing Rules and paragraphs C. 3 of the Corporate Governance Code ("**CG**

Code") as set out in Appendix 14 to the Listing Rules. Our audit committee consists of all the independent non-executive Directors, namely, Mr. Chung Chong Sun, Mr. Zhang Huaqiao and Mr. Tse Yat Hong. Mr. Chung Chong Sun is the chairman of our audit committee. The primary duties of our audit committee are to assist our Board by providing an independent view of the effectiveness of our Group's financial reporting process, internal control and risk management system, to oversee the audit process, to develop and review our policies and to perform other duties and responsibilities as assigned by our Board.

Remuneration Committee

Our Group established a remuneration committee on October 5, 2020 with written terms of reference in compliance with Rule 3.25 of the Listing Rules and paragraph B. 1 of the CG Code as set out in Appendix 14 to the Listing Rules. Our remuneration committee consists of three members, namely, Mr. Zhang Huaqiao, Mr. Tse Yat Hong and Mr. Chen Chaorong. Mr. Zhang Huaqiao is the chairman of our remuneration committee. The primary duties of the remuneration are to establish and review the policy and structure of the remuneration for our Directors and senior management and make recommendations on employee benefit arrangement.

Nomination Committee

Our Group also established a nomination committee on October 5, 2020 with written terms of reference in compliance with paragraph A. 5 of the CG Code as set out in Appendix 14 to the Listing Rules. Our nomination committee consists of three members, namely Mr. Lam, Mr. Zhang Huaqiao and Mr. Chung Chong Sun. Mr. Lam is the chairman of our nomination committee. The primary duties of our nomination committee are to make recommendations to our Board on the appointment of members of our Brand.

Corporate Governance

Our Directors recognize the importance of incorporating elements of good corporate governance in the management structures and internal procedures of our Group so as to achieve effective accountability.

Our Company has adopted the code provisions stated in the CG Code. Our Company is committed to the view that our Board should include a balanced composition of executive Directors and independent non-executive Directors so that there is a strong independent element on the Board, which can effectively exercise independent judgment.

Except for the deviation from CG Code provision A.2.1, our corporate governance practices have complied with the CG Code. CG Code provision A.2.1 stipulates that the roles of the chairman and chief executive officer should be separate and should not be performed by the same individual. Mr. Lam is the chairman of our Board and our chief executive officer. In view of the fact that Mr. Lam has been assuming day-to-day responsibilities in operating and managing our Group since its establishment, our Board believes that it is in the best interest of our Group to have Mr. Lam taking up both roles for effective management and business development. Therefore, our Directors consider that the deviation from CG Code provision A.2.1 is appropriate in such circumstance. Notwithstanding from above, our Board hat this management structure is effective for our Group's operations and sufficient checks and balances are in place.

Our Directors are aware that upon Listing, we are expected to comply with such code provision. Any such deviation shall however be carefully considered, and the reasons for such deviation shall be given in our interim report and annual report in respect of the relevant period. We are committed to achieving high standards of corporate governance with a view to safeguarding the interests of our Shareholders as a whole. Save as disclosed above, we will comply with the code provisions set out in the CG Code after the Listing.

Compliance Advisor

In compliance with Rule 3A.19 of the Listing Rules, we have appointed Maxa Capital Limited as our compliance advisor to provide advisory services to our Company. It is expected that the compliance advisor will, amongst other things, advise our Company with due care and skill on the following matters:

- before the publication of any regulatory announcement, circular and financial report;
- where a transaction, which might be notifiable or connected transaction, is contemplated including shares issues and share repurchases;
- where we propose to use the proceeds from the Global Offering in a manner different from that detailed in this Prospectus or where our business activities, developments or results deviated from any forecast, estimate, or other information in this Prospectus; and
- where the Stock Exchange makes an inquiry of us regarding unusual movements in the price or trading volume of our Shares.

The term of the appointment shall commence on the Listing Date and end on the date on which we distribute our annual report in respect of our financial results for the first full financial year commencing after the Listing Date and such appointment may be subject to extension by mutual agreement.

COMPENSATION OF DIRECTORS AND SENIOR MANAGEMENT

The aggregate remuneration (including fees, salaries, allowances and other benefits, retirement benefit scheme contributions, performance related bonus) paid to our Directors for each of the year ended December 31, 2017, 2018, 2019 and the four months ended April 30, 2020 was approximately RMB4,128,000, RMB4,020,000, RMB4,012,000 and RMB1,328,000, respectively. Save as disclosed in the sections headed "Appendix I — Accountants' Report" and "Appendix V — Statutory and General Information" in this Prospectus, no other amounts have been paid or are payable by any member of our Group to our Directors during the Track Record Period.

The remuneration (including salaries, allowances and other benefits, retirement benefit scheme contributions and performance related bonus) paid to our Company's five highest paid individuals included one, one, one and nil Director for each of the year ended December 31, 2017, 2018, 2019 and the four months ended April 30, 2020, respectively.

No remuneration was paid by our Group to our Directors or the five highest paid individuals as an inducement to join or upon joining us or as a compensation for loss of office in respect of each of the year ended December 31, 2017, 2018 and 2019. Further, none of our Directors had waived or agreed to waive any remuneration during the same periods.

Under the arrangement currently in force, the aggregate remuneration (including fees, salaries, allowances and other benefits, retirement benefit scheme contributions and performance related bonus) of our Directors for the year ending December 31, 2020 is estimated to be no more than RMB4.6 million. Our Board will review and determine the remuneration and compensation packages of our Directors and senior management which, following the Listing, will receive recommendation from the remuneration committee which will take into account salaries paid by comparable companies, time commitment and responsibilities of our Directors and performance of our Group.

Board Diversity Policy

Our Board has adopted a board diversity policy which sets out the approach to achieve diversity on our Board. Our Company recognizes and embraces the benefits of having a diverse Board and sees increasing diversity at the Board level as an essential element in supporting the attainment of our Company's strategic objectives and sustainable development. Our Company seeks to achieve Board diversity through the consideration of a number of factors, including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service. All Board appointments will be based on meritocracy and candidates will be considered against objective criteria, having due regard to the benefits of diversity on our Board.

Our Directors have a balanced mix of knowledge, skills and experience, including commercial property operation, overall business management, finance and investment. They obtained degrees in various majors including business administration, electrical engineering and automation, real estate, computerized accounting. We have three independent non-executive Directors who have different industry backgrounds, representing over one-third of our Board members. Furthermore, our Board has a wide range of age, ranging from 29 years old to 56 years old. We have taken and will continue to take steps to promote gender diversity at all levels of our Company, including but without limitation at our Board and senior management levels. As of the Latest Practicable Date, one of the senior management members of our Company is a female. Taking into account our business model and specific needs, we consider that the composition of our Board satisfies our board diversity policy.

With regards to gender diversity on the Board, our board diversity policy further provides that our Board shall take opportunities to increase the proportion of female members over time when selecting and making recommendations on suitable candidates for Board appointments. Our Board would ensure that appropriate balance of gender diversity is achieved with reference to stakeholders' expectation and international and local recommended best practices, with the ultimate goal of bringing our Board to gender parity. Going forward and with a view to developing a pipeline of potential successors to our Board that may meet the targeted gender diversity ratio set out below, we will (i) continue to make appointments based on merits with reference to board diversity as a whole; (ii) take steps to promote gender diversity at all levels of our Group by recruiting staff of different gender ; (iii) consider the possibility of nominating female management staff who has the necessary skills and experience to our Board; and (iv) provide career development opportunities and more resources in training female staff with the aim of promoting them to the senior management or board of our Company so that we will have a pipeline of female senior management and potential successors to our Board in a few years' time. Our nomination committee will use its best efforts to identify and recommend female candidates to our Board for consideration for appointment as Directors with an ultimate aim to achieve at least 20% female representation in our Board within five years of Listing, subject to there being suitable candidates and our Directors being satisfied with the qualification and experience of the relevant candidates after a reasonable review process based on selection criteria designed with the best interests of our Company's business in mind. Our Directors will exercise fiduciary duties in the process, acting in the best interests of our Company and the Shareholders as a whole when making the relevant appointments.

Our nomination committee is responsible for ensuring diversity within of our Board members and will use its best efforts to identify and recommend suitable candidates, including female candidates, for the Board's consideration. We also welcome candidates of different gender to apply for our mid to senior level positions. The ultimate decision of the appointment will be based on merits and the contribution which the selected candidates could bring to our Board and management team. Our Board believes that such merit-based selection criteria will best enable our Company to serve our Shareholders and other stakeholders going forward. After Listing, our nomination committee will review our board diversity policy and its implementation from time to time to ensure its implementation and monitor its continued effectiveness, and the same will be disclosed in our corporate governance report, including any measurable objectives set for implementing the board diversity policy and the progress on achieving these objectives on an annual basis.

So far as our Directors are aware, the following persons will, immediately prior to and following the completion of the Global Offering and the Capitalization Issue (assuming that the Over-allotment Option is not exercised and without taking into account any Shares which may be issued upon the exercise of any options which may be granted under the Share Option Scheme), have interests or short positions in our Shares or underlying Shares which would be required to be disclosed to us and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or who is, directly or indirectly, interested in 10% or more of the issued voting shares of our Company:

Name of Shareholder	Nature of Interest	Shares held as of the date of the application for Listing[1]		Shares held immediately following the completion of the Global Offering and Capitalization Issue[1]	
		Number	Approximate Percentage	Number	Approximate Percentage
Glowing Shine Limited[2]	Beneficial owner	2(L)	100%	3,400,000,000(L)	85%
Radiance Group Holdings Limited[2]	Interest in a controlled corporation	2(L)	100%	3,400,000,000(L)	85%
Mr. Lam Ting Keung[2]	Interest in a controlled corporation	2(L)	100%	3,400,000,000(L)	85%
Ms. Lam Fung Ying[2]	Interest in a controlled corporation	2(L)	100%	3,400,000,000(L)	85%

Notes:

(1) The letter "L" denotes a long position in our Shares.

(2) Glowing Shine Limited is wholly owned by Radiance Group Holdings Limited, which in turn is owned as to 64.97% by Mr. Lam Ting Keung and 35.03% by Ms. Lam Fung Ying, the spouse of Mr. Lam Ting Keung. By virtue of the SFO, each of Mr. Lam Ting Keung, Ms. Lam Fung Ying and Radiance Group Holdings Limited is deemed to be interested in the Shares held by Glowing Shine Limited.

If the Over-allotment Option is fully exercised, beneficial interests of each of Mr. Lam Ting Keung, Ms. Lam Fung Ying, Radiance Group Holdings Limited and Glowing Shine Limited will be approximately 83.13%, 83.13%, 83.13% and 83.13%, respectively.

Save as disclosed above and in the section headed "Statutory and General Information — C. Further Information about our Directors and Substantial Shareholders" in Appendix V to this Prospectus, our Directors are not aware of any person who will, immediately following the completion of the Global Offering and the Capitalization Issue (assuming that the Over-allotment Option is not exercised and without taking into account any Shares which may be issued upon the exercise of any options which may be granted under the Share Option Scheme), have interests or short positions in any Shares or underlying Shares, which would be required to be disclosed to us under the provisions of Divisions 2 and 3 of Part XV of the SFO, or who is, directly or indirectly interested in 10% or more of the issued voting shares of any member of our Group. Our Directors are not aware of any arrangement which may at a subsequent date result in a change of control of our Company.

The following is a description of the authorized and issued share capital of our Company in issue and to be issued as fully paid or credited as fully paid immediately before and following the completion of the Global Offering and Capitalization Issue (without taking into account the exercise of the Over-allotment Option and any Shares which may be issued upon the exercise of any options which may be granted under the Share Option Scheme):

		Nominal value (HK$)
Authorized share capital:		
10,000,000,000	Shares of HK$0.01 each	100,000,000
Issued and to be issued, fully paid or credited as fully paid:		
2	Shares in issue as of the date of this Prospectus	0.02
3,399,999,998	Shares to be issued pursuant to the Capitalization Issue	33,999,999.98
600,000,000	Shares to be issued under the Global Offering	6,000,000.00
4,000,000,000	**Total**	40,000,000.00

ASSUMPTIONS

The above table assumes that the Global Offering becomes unconditional and the issue of Shares pursuant to the Global Offering and Capitalization Issue are made. It takes no account of any Shares which may be allotted and issued pursuant to the exercise of the Over-allotment Option or any Shares which may be issued upon the exercise of any options which may be granted under the Share Option Scheme or any Shares which may be issued or repurchased by us pursuant to the general mandates granted to our Directors to issue or repurchase Shares as described below.

RANKINGS

The Offer Shares will be ordinary shares in the share capital of our Company and will carry the same rights in all respects with all Shares in issue or to be issued as mentioned in this Prospectus and, in particular, will rank in full for all dividends or other distributions declared, made or paid on the Shares in respect of a record date which falls after the date of this Prospectus save for the entitlement under the Capitalization Issue.

GENERAL MANDATE TO ALLOT AND ISSUE NEW SHARES

Subject to the Global Offering becoming unconditional, our Directors have been granted a general mandate to issue, allot and deal with Shares in the share capital of our Company with a total number of issued shares of not more than the sum of:

(1) 20% of the total number of Shares in issue immediately following the completion of the Global Offering and the Capitalization Issue (excluding Shares which may be allotted and issued pursuant to the exercise of the Over-allotment Option which may be issued upon the exercise of any options which may be granted under the Share Option Scheme); and

(2) the total number of Shares repurchased by our Company (if any) pursuant to the general mandate to repurchase Shares granted to our Directors referred to below.

Our Directors may, in addition to the Shares which they are authorized to issue under this general mandate, issue, allot or deal with Shares under a rights issue, scrip dividend scheme or similar.

This general mandate will remain in effect until the earliest of:

(i) the conclusion of our Company's next annual general meeting; or

(ii) the expiry of the period within which our Company is required by any applicable laws or its articles of association to hold its next annual general meeting; or

(iii) when varied or revoked by an ordinary resolution of the Shareholders in general meeting.

Further information on this general mandate is set out in the section headed "Statutory and general information — A. Further information about our Company — 4. Written Resolutions of our Sole Shareholder Passed on October 5, 2020" in Appendix V to this Prospectus.

GENERAL MANDATE TO REPURCHASE SHARES

Subject to the Global Offering becoming unconditional, our Directors have been granted a general mandate to exercise all the powers of our Company to repurchase Shares with a total number of Shares of not more than 10% of the total number of Shares in issue immediately following the completion of the Global Offering and the Capitalization Issue (excluding Shares which may be allotted and issued pursuant to the exercise of the Over-allotment Option and which may be issued upon the exercise of any options which may be granted under the Share Option Scheme).

This mandate only relates to repurchases made on the Stock Exchange or any other stock exchange on which the Shares are listed (and which is recognized by the SFC and the Stock Exchange for this purpose), and which are in accordance with the Listing Rules. A summary of the relevant Listing Rules is set out in the section headed "Statutory and general information — A. Further information about our Company — 7. Buy-back by our Company of its own securities" in Appendix V to this Prospectus.

This general mandate to repurchase Shares will remain in effect until the earliest of:

(i) the conclusion of our Company's next annual general meeting; or

(ii) the expiry of the period within which our Company is required by any applicable laws or its articles of association to hold its next annual general meeting; or

(iii) when varied or revoked by an ordinary resolution of the Shareholders in general meeting.

Further information on this general mandate is set out in the section headed "Statutory and general Information — A. Further information about our Company — 4. Written Resolutions of our Sole Shareholder Passed on October 5, 2020" in Appendix V to this Prospectus.

CIRCUMSTANCES UNDER WHICH GENERAL MEETING AND CLASS MEETING ARE REQUIRED

Our Company has only one class of shares, namely ordinary shares, each of which ranks *pari passu* with the other Shares.

As a matter of the Cayman Islands Companies Law, an exempted company is not required by law to hold any general meeting or class meeting. The holding of general meeting or class meeting is prescribed under the articles of association of a company. Accordingly, our Company will hold general meetings as prescribed under the Articles, a summary of which is set out in "Summary of the Constitution of the Company and Cayman Islands Law" in Appendix IV to this Prospectus.

You should read the following discussion and analysis in conjunction with our audited consolidated financial information set forth in our Accountants' Report in Appendix I to this Prospectus. Our audited consolidated financial information was prepared in accordance with the IFRSs, which may differ in material aspects from generally accepted accounting principles in other jurisdictions. The following discussion and analysis contain certain forward-looking statements which involve risks and uncertainties. These forward-looking statements are based on assumptions and analysis we made in light of our experience and perception of historical trends, current conditions and expected future developments, as well as other factors we believe are appropriate under the circumstances. Our actual results may differ materially from those anticipated in these forward-looking statements as a result of various factors, including those set forth under the section headed "Risk Factors" and elsewhere in this Prospectus.

OVERVIEW

We are a reputable large property developer with national presence, regional focus and leading positions in select cities, and we focus on providing quality residential properties to first-time homebuyers and first-time upgraders. With over 20 years' experience, we have expanded our operations into five regions with strong economic growth potential in China, namely, the Yangtze River Delta, the Bohai Economic Rim, Southern China, Southwestern China and Northwestern China. We were ranked 36th in terms of comprehensive strengths among "2020 China's Top 50 Real Estate Developers" and were ranked as one of "China's Top 10 Real Estate Developers of Comprehensive Strength" by the China Real Estate Association and the China Real Estate Appraisal Center of E-house China Research Institute in 2020. We were ranked 37th in terms of comprehensive strengths among "China's Top 100 Real Estate Developers" by the Enterprise Research Institute of Development Research Center of the State Council, the Center for Real Estate of Tsinghua University and the China Index Academy in 2020, representing an improvement from the 38th place in 2019. We were also awarded "China's Top 30 Real Estate Developers of Brand Value" and "China's Top 10 Real Estate Developers of Brand Value's Growth Potential" by the China Real Estate Association and the China Real Estate Appraisal Center of E-house China Research Institute in 2018 and 2019, respectively. We were ranked as one of "China's Top 50 Real Estate Developers" by the China Real Estate Association and the China Real Estate Appraisal Center of E-house China Research Institute for seven consecutive years since 2014.

In 2017, 2018 and 2019, our revenue amounted to RMB11,776.6 million, RMB15,971.2 million and RMB25,963.1 million, respectively, representing a CAGR of 48.5%. Our revenue amounted to RMB4,454.1 million and RMB2,929.2 million for the four months ended April 30, 2019 and 2020, respectively. In 2017, 2018 and 2019, our profit for the year amounted to RMB2,221.3 million, RMB2,299.9 million and RMB2,690.0 million, respectively, representing a CAGR of 10.0%. Our profit for the period amounted to RMB531.8 million and RMB182.0 million for the four months ended April 30, 2019 and 2020, respectively.

BASIS OF PRESENTATION

We were incorporated as an exempted company with limited liability under the laws of Cayman Islands on October 17, 2019. As disclosed in "History, Reorganization and Corporate Structure — Reorganization" in this Prospectus, our Company became the holding company of the companies now comprising our Group on March 5, 2020. As the Reorganization involved inserting new holding companies at the top of an existing company and has not resulted in a change in economic substance. Accordingly, the financial information of our Group has been prepared as a continuation of the then holding company by applying the principles of merger accounting as if the Reorganization had been completed at the beginning of the Track Record Period.

The consolidated statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows of our Group for the Track Record Period include the results and cash flows of all companies now comprising our Group from the earliest date presented or since the date when the subsidiaries first came under the common control of the Controlling Shareholders, where this is a shorter period. The consolidated statements of financial position of our Group as of December 31, 2017, 2018 and 2019 and April 30, 2020 have been prepared to present the assets and liabilities of the subsidiaries using the existing book values from the Controlling Shareholders' perspective. No adjustments are made to reflect fair values, or recognize any new assets or liabilities as a result of the Reorganization.

Equity interests in subsidiaries held by parties other than the Controlling Shareholders, and changes therein, prior to the Reorganization are presented as non-controlling interests in equity in applying the principles of merger accounting. Profit or loss is attributed to the owners of the parent and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. All intra-group transactions and balances have been eliminated on combination in full.

KEY FACTORS AFFECTING OUR RESULTS OF OPERATIONS

Our business, results of operations and financial condition have been and will continue to be affected by a number of factors, many of which are beyond our control. See "Risk Factors." Some of the key factors include, without limitation, the following.

Economic Conditions and Regulatory Environment in the PRC

The overall economic growth and urbanization in the cities and regions that we operate and intend to operate are expected to continue to impact our business and operating results. The overall economic growth in the PRC and the rate of urbanization will continue to be affected by a number of macroeconomic factors, including changes in the global economy as well as the macroeconomic, fiscal and monetary policies of the PRC Government. Such macroeconomic dynamics and policies have in the past affected and will likely continue to affect the supply of and demand for properties and property pricing trends in the cities and regions where we operate and intend to operate. In addition, our results of operations may also be affected by other social conditions in China, such as pandemics and other acts of God which are beyond our control. See "Risk Factors — The National and regional economics in China and our business may be adversely affected by factors beyond our control such as natural disasters, acts of war or terrorism, epidemics and pandemics.

In addition, our business and operating results have been, and will continue to be, significantly affected by governmental policies and regulations in the PRC, in particular those relating to property market. In the past few years, the PRC Government implemented a series of measures to control the overheated property market, which aim to discourage speculative investments and increase the supply of affordable residential properties. From time to time, the central and local governments adjust or introduce policies and regulations relating to land grants, pre-sales of properties, bank financing and taxation, planning and zoning, building design and construction, which have significantly impacted the availability and cost of financing for real estate developers, including us. In addition, restrictive regulations may also affect the availability and cost of financing for potential property purchasers, such as higher minimum down payment requirements, higher mortgage rates provided by commercial banks, restrictions on the number of properties local residents may purchase and increasing taxes on title transfer and property ownership. We currently focus on developing properties that target customers who are first-time purchasers and first-time upgraders, which represent property development activities that are encouraged under the current regulatory environment in the PRC. As a result, we believe we are less susceptible to the restrictive measures and will continue to benefit from the continued economic growth and urbanization, as well as the government policies to foster the continued growth of the property market in the PRC.

Timing of Property Development, Pre-sale and Delivery

The number of property projects that a developer can undertake during any particular period is limited due to substantial capital requirements for land acquisitions and construction costs as well as land supply. The development of a property project may take several months or even years before the commencement of pre-sales, depending on the size and difficulty of the project, and no revenue with respect to such project may be recognized until it is completed and delivered to the customers. Therefore, our cash flows and results of operation vary from period to period, subject to the selling prices and the GFA pre-sold and/or sold and delivered in the relevant periods. In addition, delays in construction, regulatory approval and other processes may also adversely affect the timetable of our projects. Timing of pre-sale is not only subject to our internal schedules but also the relevant PRC laws and regulations. The relevant pre-sales requirements vary from city to city and pre-sale proceeds of a project are required to be used to finance its development. As a result of the time differences between cost incurred, cash received from pre-sales and revenue recognition, our results of operation have fluctuated in the past and are likely to continue to fluctuate in the future. See "Risk Factors — Risks Relating to Our Business — We face risks related to the pre-sales of properties from any potential limitations or restrictions imposed by the PRC Government."

Ability to Acquire Suitable Land at a Reasonable Cost

Land acquisition costs are one of the major components of our cost of sales for property development and sales. Our continuing growth and profitability depend, to a large extent, on our ability to acquire suitable land at a reasonable cost that can yield favorable returns, which in turn, depending on various factors, including the method and timing of land acquisition, location of the land parcel, as well as the competition we may face in a specific region. During the Track Record Period, we acquired land for our projects through the listing-for-sale process organized by the relevant government authorities, auctions and public tenders. We also acquired land by cooperating with third-party business partners through joint ventures or associates, or from third parties by acquiring equity interests in companies that possess land use rights. As the PRC economy continues to grow and demand for residential properties remains relatively strong, we expect competition among property developers for acquiring suitable land to intensify.

In addition, land supply policies and implementation measures set by the PRC Government are likely to further intensify competition, and consequently, increase the land acquisition costs. In order to participate in public tender, auction and listing-for-sale processes, we are required to pay a deposit up front, which typically represents a significant portion of the actual cost of the relevant land, and we are typically required to settle the land premium within one year after signing the land grant contract, which has accelerated the timing of our payment for land acquisition costs and has had a significant impact on our cash flows. It is generally expected that land premiums will continue to rise in the PRC as the economy continues to grow and the real estate market remains one of the most invested markets in the country, which may materially and adversely affect our business and operating results.

Construction Materials and Labor Cost

Construction costs constitute a substantial portion of our cost of sales, of which, construction materials and labor cost are the two major components. Construction costs fluctuate as a result of changes in the price of certain key construction materials, such as steel and cement. Costs for construction materials and construction labor are generally included in the contractor fees agreed between us and our general contractors. However, for certain major construction materials such as steel and cement, where the prices may fluctuate significantly, we and our contractors usually specify the price range within which the total construction contract price will remain relatively stable. If the price fluctuates outside such initial specified price range, we will be solely responsible for the price increase beyond the agreed scope. If we are unable to successfully pass on such increase in construction costs to our customers, we cannot sell our properties at a price level sufficient to cover all the increased costs, and we will not be able to achieve our target margin, and our profitability will be adversely impacted as well.

Availability and Cost of Financing

Financing is an important source of funding for property development. During the Track Record Period, we financed our operations primarily through internally generated cash flow from the pre-sales of our properties, as well as external financings, such as borrowings from banks, corporate bonds, ABS, trust financing and senior notes. The monetary regulations imposed by the PRC Government from time to time may affect our access to capital and cost of financing. We are also highly susceptible to any regulations or measures adopted by the PBOC that restrict bank lending, especially those that restrict the ability of real estate developers to obtain bank financing. As commercial banks in the PRC link the interest rates on their loans to benchmark lending rates published by the PBOC, we expect that any increase in the benchmark lending rates will increase our borrowing costs.

In addition, as of April 30, 2020, the total outstanding principal of our trust financing arrangements amounted to approximately RMB15,235.2 million. While trust financing providers generally do not link their interest rates to the PBOC benchmark lending rates, they typically charge higher interest rates than those charged by commercial banks. The PRC Government may implement more stringent measures to control risks in loan growth, which may include more stringent review procedures that trust financing providers are required to adopt when considering applications for trust financing and remedial actions that they are required to take. Any such further measures that the PRC Government may implement could limit the amount of trust financing available to the PRC property development industry as a whole and to us.

As of December 31, 2017, 2018 and 2019 and April 30, 2020, our total borrowings, which consist of interest-bearing bank and other borrowings, senior notes, corporate bonds and ABS, amounted to RMB34,026.9 million, RMB43,167.8 million, RMB49,071.1 million and RMB52,586.1 million, respectively. The weighted average interest rate for our bank and other borrowings, senior notes, corporate bonds and ABS as of December 31, 2017, 2018 and 2019 and April 30, 2020 was 7.25%, 7.65%, 7.76% and 7.99%, respectively. We may continue to access both the international and domestic capital markets to diversify our financing sources, secure sufficient working capital and to support our business was expansion. An increase in our finance costs will negatively affect our profitability and results of operations and the lack of financing will affect our ability to engage in our project development activities, which will adversely affect our results of operations.

LAT

All income from the sales or transfer of state-owned land use rights, buildings and their attached facilities in the PRC is subject to LAT at progressive rates ranging from 30% to 60% of the appreciated value of the property, which is calculated by deducting from the gross sales proceeds the costs associated with property development and sales and certain other deductibles. See "Regulatory Overview — XII. Regulations on Taxation — (iii) Land Appreciation Tax." During the Track Record Period, we had accrued all LAT payable on our property sales and transfers in compliance with the relevant LAT laws and regulations. In 2017, 2018 and 2019 and the four months ended April 30, 2020, we recorded LAT into income tax expenses in the amount of RMB690.9 million, RMB726.7 million, RMB1,107.1 million and RMB78.1 million, respectively in our consolidated statements of profit or loss and other comprehensive income. The provision for LAT requires our management to use a significant amount of judgment and estimates, and we cannot assure you that the relevant tax authorities will agree to the basis on which we have calculated our LAT liabilities for provision purposes, or that such provisions will be sufficient to cover all LAT obligations that tax authorities may ultimately impose on us. Under such circumstances, our results of operations and cash flows may be materially and adversely affected.

Fair Value of Our Investment Properties

Investment property values are affected by, including rental income, supply and demand for comparable investment properties, the rate of economic growth, interest rates, inflation, political and economic developments, construction costs and the timing of development of investment properties. We state our investment properties at fair value on our consolidated statements of financial position as non-current assets as of each financial statement date based on the valuation prepared by JLL, an independent property valuer, and record changes in fair value of investment properties in our consolidated statements of profit or loss. See "— Description of Certain Consolidated Statements of Financial Position Items — Investment Properties." Property valuation involves the exercise of professional judgment and requires the use of certain bases and assumptions. The fair value of our investment properties may be higher or lower if the valuer uses a different set of bases and assumptions or if the valuation is conducted by another qualified independent professional valuer using the same or a different set of bases and assumptions.

Gains or losses arising from changes in the fair value of our investment properties may have a substantial effect on our profits. As of December 31, 2017, 2018 and 2019 and April 30, 2020, the fair value of our investment properties amounted to RMB8,725.1 million, RMB9,735.3 million, RMB10,506.2 million and RMB10,616.7 million, respectively. The fair value gains on our investment properties in 2017, 2018 and 2019 and the four months ended April 30, 2020 were RMB317.8 million, RMB616.5 million, RMB480.9 million and RMB101.1 million, respectively. The fair value of some of our investment properties has fluctuated, and is likely to continue to fluctuate, in accordance with the prevailing property market conditions. Gains or losses arising from changes in the fair value of our investment properties may have a substantial effect on our profits. Any decrease in the fair value of our investment properties will adversely affect our profitability. In addition, increases in the fair value of investment properties are unrealized and do not generate any cash inflow as long as we continue to hold such properties. We may therefore experience higher profitability through increases in the fair value of investment properties without a corresponding improvement to our liquidity position. We cannot assure you that levels of increases in the fair value of investment properties similar to those recognized during the Track Record Period can be sustained in the future.

SIGNIFICANT ACCOUNTING POLICIES, ACCOUNTING ESTIMATES AND JUDGMENTS

Significant Accounting Policies

We have identified certain accounting policies that are significant to the preparation of our financial statements. Significant accounting policies, which are important for an understanding of our financial condition and results of operations, are set forth in the Accountants' Report in Appendix I to this Prospectus. Our significant accounting policies include:

Revenue Recognition

Sale of Properties

We recognize revenues from sale of properties when or as the control of the asset is transferred to the customer. In determining the transaction price, we adjust the promised amount of consideration for the effect of a financing component if it is significant. For property development and sales contract for which the control of the property is transferred at a point in time, we recognize revenue when the customer obtains the physical possession, or the legal title of the completed property and we have present right to payment and the collection of the consideration is probable.

Property Management Services

We recognize property management services income when the relevant services are rendered and the customer simultaneously receives and consumes the benefits provided by the entity's performance as the entity performs.

Management Consulting Services

We recognize management consulting services income when the relevant services are rendered and the customer simultaneously receives and consumes the benefits of such management consulting services.

Rental Income

We recognize rental income on a time proportion basis over the lease terms. We recognize variable lease payments that do not depend on an index or a rate as income in the year in which they are incurred.

Properties under Development

Properties under development are intended to be held for sale after completion.

We state properties under development at the lower of cost comprising land costs, construction costs, borrowing costs, professional fees and other costs directly attributable to such properties incurred during the development period and net realizable value. Based on our historical experience and the nature of the relevant properties, we make estimates of the selling prices, the costs to completion, and future costs to be incurred in sales of the properties based on prevailing market conditions.

If there is an increase in costs to completion or a decrease in net sales value, the net realizable value will decrease, and this may result in a provision for properties under development. Where the expectation is different from our original estimate, we will adjust the carrying value and provision for properties in the respective years accordingly.

We classify properties under development as current assets unless the construction period of the relevant property development project is expected to be beyond the normal operating cycle. On completion, these properties are transferred to completed properties held for sale.

Completed Properties Held for Sale

We state completed properties held for sale at the lower of cost and net realizable value.

Cost comprises development costs attributable to the unsold properties. Net realizable value takes into account the price ultimately expected to be realized less the costs we estimate will be incurred in selling the properties.

If there is an increase in costs to completion or a decrease in net sales value, the net realizable value will decrease, and this may result in a provision for completed properties held for sale. Where the expectation is different from our original estimate, we will adjust the carrying value and provision for properties in the respective years accordingly.

Investment Properties

Investment properties are interests in land and buildings held to earn rental income and/or for capital appreciation, rather than for use in the production or supply of goods or services or for administrative purposes; or held for sale in the ordinary course of business. We measure such properties initially at cost, including transaction costs. Subsequent to initial recognition, we state investment properties at fair value, which reflects market conditions at the end of each year or period of the Track Record Period.

Investment properties carried at fair value are revalued by the end of each year or period during the Track Record Period based on the appraised market value provided by independent professional valuers. Such valuations are based on certain assumptions, which are subject to uncertainty and might materially differ from the actual results. In making the estimates, we consider information from current prices in an active market for similar properties and use assumptions that are mainly based on market conditions existing at the end of each year or period during the Track Record Period.

We recognize gains or losses arising from changes in the fair value of investment properties in our consolidated statement of profit or loss in the year in which they arise. We recognize any gains or losses on the retirement or disposal of an investment property in our consolidated statement of profit or loss in the year of the retirement or disposal.

For a transfer from investment properties to owner-occupied properties or inventories, the cost of a property is its fair value at the date of change in use. If a property occupied by us as an owner-occupied property becomes an investment property, we account for any difference at the date of change in use between the carrying amount and the fair value of the property as a revaluation and carry the difference in the asset revaluation reserve in equity.

LAT

We recognize LAT as an income tax expense to the extent that it is probable that we will have the obligation to pay the tax to the PRC tax authorities. When we pre-sell properties under development and receive advances from the pre-sales of properties, we make provisions of LAT on the basis of our pre-sales proceeds in accordance with the requirements of the PRC tax authorities. The provision for LAT is based on our best estimates according to the interpretation of the relevant PRC tax laws and regulations. The actual LAT liabilities are, however, subject to determination by the tax authorities upon completion of the property development projects and recognition of the related revenue. We have not finalized our LAT calculation and payments with the tax authorities for certain of our property development projects. The final outcome could be different from the amounts that we initially recorded, and any differences will affect the LAT expenses and the related provision in the respective year.

Early Adoption of IFRS 9, IFRS 15 and IFRS 16

IFRS 9 *Financial instruments*, IFRS 15 *Revenue from contracts with customers* and IFRS 16 *Leases* are effective for annual periods beginning on or after January 1, 2018, January 1, 2018 and January 1, 2019, respectively, and earlier application is permitted. We have applied IFRS 9, IFRS 15, IFRS 16, amendments to IFRS 9 and amendments to IFRS 3 consistently throughout the Track Record Period. If we had not applied IFRS 9 and IFRS 15 in 2017, and had not applied IFRS 16 in 2017 and 2018, the estimated impact on our financial performance and position for 2017 and 2018 is as follows:

Net profit/(losses) for the year	Amounts without the adoption of IFRS 9, 15 or 16	Effects of the adoption of IFRS 9	Effects of the adoption of IFRS 15	Effects of the adoption of IFRS 16	Amounts as reported
			(RMB'000)		
2017	2,193,444	1,386	26,740	(227)	2,221,343
2018	2,299,719	NA	NA	158	2,299,877
Total equity					
As of December 31, 2017	14,405,652	26,312	165,055	(244)	14,596,775
As of December 31, 2018	17,532,276	NA	NA	(86)	17,532,190

The adoption of IFRS 15 results in an increase of RMB165.1 million in our total equity as of December 31, 2017, because pursuant to paragraph 91 of IFRS 15, an entity shall recognize as an asset for the incremental costs of obtaining a contract with a customer if the entity expects to recover those costs. Accordingly, as we expect to recover our incremental costs for obtaining property sales contracts, we recognize such costs as contract cost assets rather than expensing them into profit and loss directly. Such treatment caused an increase in equity amounting to RMB165.1 million as of December 31, 2017. The contract cost assets will be charged into profit and loss when revenue from the relevant contracts is recognized.

Taking into account the impact disclosed above, our Directors consider that the adoption of IFRS 9, IFRS 15 and IFRS 16 had insignificant impact on our financial position and performance in 2017 and 2018.

DESCRIPTION OF CERTAIN CONSOLIDATED STATEMENTS OF PROFIT OR LOSS ITEMS

The table below sets forth a summary of our consolidated statements of profit or loss for the periods indicated:

	Year ended December 31,			Four months ended April 30,	
	2017	**2018**	**2019**	**2019**	**2020**
			(RMB'000)		
				(Unaudited)	
Revenue	11,776,599	15,971,183	25,963,108	4,454,113	2,929,200
Cost of sales	(7,984,939)	(11,145,666)	(20,300,888)	(3,206,145)	(2,149,495)
Gross profit	3,791,660	4,825,517	5,662,220	1,247,968	779,705
Finance income	268,686	213,893	100,431	27,929	21,174
Other income and gains	19,721	68,577	187,641	33,558	10,105
Selling and distribution expenses	(434,319)	(519,332)	(771,495)	(228,112)	(144,500)
Administrative expenses	(596,821)	(795,006)	(988,052)	(275,920)	(255,832)
Finance costs	(344,564)	(571,509)	(494,863)	(38,928)	(98,494)
Other expenses	(34,655)	(101,646)	(49,065)	(25,099)	(115,390)
Fair value gains on investment properties	317,755	616,536	480,869	251,913	101,106
Fair value gains or loss from financial assets at fair value through profit or loss	268	3,102	(266)	(3,161)	176
Share of profits and losses of:					
Joint ventures	426,721	(24,121)	510,165	(60,912)	71,368
Associates	54,329	(65,674)	(68,769)	(6,619)	(19,269)
Profit before tax	3,468,781	3,650,337	4,568,816	922,617	350,149
Income tax expense	(1,247,438)	(1,350,460)	(1,878,828)	(390,839)	(168,134)
Profit for the year/period	2,221,343	2,299,877	2,689,988	531,778	182,015
Attributable to					
Owners of the parent	2,030,835	2,007,939	2,508,068	493,071	179,188
Non-controlling interests	190,508	291,938	181,920	38,707	2,827
	2,221,343	2,299,877	2,689,988	531,778	182,015

Revenue

During the Track Record Period, we mainly derived our revenue from development and sales of residential properties and commercial properties. We also derived revenue from providing property management services, leasing commercial properties, and providing management consulting services to our joint ventures and associates for the overall operation of property projects. See "History, Reorganization and Corporate Structure." The table below sets forth each of the components described above and the percentage of our revenue represented for the periods indicated:

	Year ended December 31,						Four months ended April 30,			
	2017		2018		2019		2019		2020	
	RMB'000	%	RMB'000	%	RMB'000	%	RMB'000	%	RMB'000	%
							(Unaudited)			
Property development and sales	11,285,961	95.8	15,149,795	94.9	25,037,479	96.4	4,152,298	93.2	2,773,249	94.7
Residential	10,197,505	86.6	14,250,768	89.3	24,191,695	93.2	4,092,315	91.9	1,563,433	53.4
Commercial	1,088,456	9.2	899,027	5.6	845,784	3.2	59,983	1.3	1,209,816	41.3
Property management services	357,095	3.0	480,542	3.0	517,219	2.0	172,114	3.9	—	—
Property leasing	125,668	1.1	279,029	1.7	352,782	1.4	106,331	2.4	120,032	4.1
Management consulting services	7,875	0.1	61,817	0.4	55,628	0.2	23,370	0.5	35,919	1.2
Total	11,776,599	100.0	15,971,183	100.0	25,963,108	100.0	4,454,113	100.0	2,929,200	100.0

Property Development and Sales

Revenue from property development and sales has constituted, and is expected to continue to constitute, a substantial majority of our total revenue. Our operating results for any given period are dependent upon the GFA and the selling prices of the properties we delivered during such period. Conditions in the property markets in which we operate change from period to period and are affected by general economic, political and regulatory developments in the PRC as well as in the cities and regions in which we operate. See "— Key Factors Affecting Our Results of Operations" above.

We focus on suitable locations in select cities in five regions, namely, the Yangtze River Delta, the Bohai Economic Rim, Southern China, Southwestern China and Northwestern China. The table below sets forth our revenue generated from each region, total GFA delivered in each region and the respective recognized ASP per sq.m. for each region for the periods indicated:

	Year ended December 31,												Four months ended April 30,							
	2017				2018				2019				2019				2020			
	Revenue		GFA Delivered[1]	Recognized ASP	Revenue		GFA Delivered[1]	Recognized ASP	Revenue		GFA Delivered[1]	Recognized ASP	Revenue		GFA Delivered[1]	Recognized ASP	Revenue		GFA Delivered[1]	Recognized ASP
	RMB'000	%	sq.m.	RMB per sq.m.	RMB'000	%	sq.m.	RMB per sq.m.	RMB'000	%	sq.m.	RMB per sq.m.	RMB'000	%	sq.m.	RMB per sq.m.	RMB'000	%	sq.m.	RMB per sq.m.
													(Unaudited)							
Yangtze River Delta	2,786,192	24.7	223,071	12,490	5,410,793	35.7	460,944	11,739	7,365,630	29.4	287,429	25,626	1,585,574	38.2	92,929	17,062	373,420	13.5	6,845	54,552
Bohai Economic Rim	1,467,726	13.0	213,571	6,872	2,475,991	16.3	332,184	7,454	6,498,793	26.0	739,740	8,785	486,378	11.7	45,125	10,779	1,069,704	38.6	83,919	12,747
Southern China	2,382,296	21.1	169,606	14,046	3,401,830	22.5	135,440	25,117	4,174,356	16.7	201,822	20,683	2,047,991	49.4	70,480	29,058	155,350	5.6	5,265	29,506
Southwestern China	1,894,555	16.8	173,917	10,893	2,576,690	17.0	229,856	11,210	4,335,110	17.3	314,614	13,779	5,369	0.1	430	12,491	60,161	2.2	4,185	14,377
Northwestern China	2,755,192	24.4	320,927	8,585	1,284,491	8.5	125,475	10,237	2,663,590	10.6	237,012	11,238	26,986	0.6	1,257	21,470	1,114,614	40.1	68,602	16,248
Total	11,285,961	100.0	1,101,092	10,250	15,149,795	100.0	1,283,899	11,800	25,037,479	100.0	1,780,617	14,061	4,152,298	100.0	210,221	19,752	2,773,249	100.0	168,816	16,428

Note:

(1) GFA delivered refers to GFA for which we recognized revenue during such period. GFA delivered does not include car parks.

Consistent with industry practice, we typically enter into pre-sales contracts with customers while the properties are still under development but after satisfying the conditions for pre-sales in accordance with PRC laws and regulations. In general, there is a time difference between the time we commence the pre-sales of properties under development and the completion of the construction of such properties. We do not recognize any revenue from the pre-sales of the properties until such properties are completed and delivered to the customers. Since the revenue is only recognized upon the delivery of properties, the timing of such delivery may affect the amount of our revenue from property development and sales in respective periods, and may also cause contract liabilities to fluctuate from period to period.

The increases in our revenue from property development and sales during the three years ended December 31, 2019 were primarily attributable to an increase in the number of property projects we completed and delivered, which resulted in an increase in our total GFA delivered. Particularly, our revenue derived from the Yangtze River Delta and Bohai Economic Rim increased gradually during the three years ended December 31, 2019 and we plan to continue to strengthen our market position in the Yangtze River Delta.

The recognized ASP of properties fluctuated from period to period depending on the selling prices for properties in cities and regions where we developed and sold.

- *Yangtze River Delta.* Our recognized ASP for the Yangtze River Delta decreased from RMB12,490 per sq.m. in 2017 to RMB11,739 per sq.m. in 2018 because the recognized ASP of Jurong Jinhui Four Seasons (句容四季金輝), a project completed and delivered in 2018, was relatively low. Our recognized ASP for the Yangtze River Delta then increased significantly to RMB25,626 per sq.m. in 2019 because the recognized ASP of Hangzhou Yueyou Apartment (杭州悦優公寓) and Shanghai Jinhui Tiancui Garden (上海金輝天萃苑), two projects completed and partially delivered in 2019, was relatively high. Our recognized ASP for the Yangtze River Delta increased from RMB17,062 per sq.m. in the four months ended April 30, 2019 to RMB54,552 per sq.m. in the four months ended

April 30, 2020 because the recognized ASP of Shanghai Jinhui Tiancui Garden, part of which was delivered and completed in the four months ended April 30, 2020, was relatively high.

- *Bohai Economic Rim.* Our recognized ASP for the Bohai Economic Rim increased gradually from RMB6,872 per sq.m. in 2017 to RMB7,454 per sq.m. in 2018 and further to RMB8,785 per sq.m. in 2019 because the recognized ASP of certain properties under Lianyungang Jinhui Four Seasons (連雲港四季金輝), which were completed and delivered in 2018, and projects located in Shenyang, which were completed and delivered in 2019, was relatively high. Our recognized ASP for the Bohai Economic Rim increased from RMB10,779 per sq.m. in the four months ended April 30, 2019 to RMB12,747 per sq.m. in the four months ended April 30, 2020 because the recognized ASP of Tianjin Hu'an Garden (天津湖岸花園) and Shijiazhuang New Block Avenue (石家莊優步大道), which were delivered in the four months ended April 30, 2020, were relatively high.

- *Southern China.* Our recognized ASP for Southern China increased significantly from RMB14,046 per sq.m. in 2017 to RMB25,117 per sq.m. in 2018 which was primarily attributable to an increase in the delivery of properties under the Fuzhou Huai'an (福州淮安) project, which has a relatively high recognized ASP, and then decreased to RMB20,683 per sq.m. in 2019 which was primarily attributable to a decrease in the delivery of properties under the Fuzhou Huai'an project. Our recognized ASP for Southern China remained stable at RMB29,506 per sq.m. in the four months ended April 30, 2020, as compared to RMB29,058 per sq.m. in the four months ended April 30, 2019.

- *Southwestern China.* Our recognized ASP for Southwestern China increased gradually from RMB10,893 per sq.m. in 2017 to RMB11,210 per sq.m. in 2018 and further to RMB13,779 per sq.m. in 2019 because the recognized ASP of Chongqing New Block Avenue (重慶優步大道), a project completed and delivered in 2018, and Chongqing Jinhui City (Phase III) (重慶金輝城(三期)), a project completed and delivered in 2019, was relatively high. Our recognized ASP for Southwestern China increased from RMB12,491 per sq.m. in the four months ended April 30, 2019 to RMB14,377 per sq.m. in the four months ended April 30, 2020 because we delivered certain properties of Chongqing Jinhui City (Phase III) (重慶金輝城(三期)) in the four months ended April 30, 2020, for which the recognized ASP per sq.m. was relatively high.

- *Northwestern China.* Our recognized ASP for Northwestern China increased gradually from RMB8,585 per sq.m. in 2017 to RMB10,237 per sq.m. in 2018 and further to RMB11,238 per sq.m. in 2019 because the recognized ASP of Xi'an Jinhui World City Upper East Side (西安金輝世界城上東區) and certain properties under Xi'an Jinhui New Block Garden (西安金輝優步花園), which were completed and delivered in 2018, and certain properties under Xi'an Jinhui World City Phase A1-2 and Phase A3 (西安金輝世界城A1-2期、A3期), which were completed and delivered in 2019, was relatively high. Our recognized ASP for Northwestern China decreased from RMB21,470 per sq.m. in the four months ended April 30, 2019 to RMB16,248 per sq.m. in the four months ended April 30, 2020 because we delivered certain commercial apartments of Xi'an Jinhui Global Plaza (西安金輝環球廣場), a large-scale project of commercial apartments in Xi'an in April 2020, of which the ASP was relatively low compared with residential properties.

The table below sets forth a sensitivity analysis for our recognized ASP illustrating, for the periods indicated, their impact on our profit before taxation if our recognized ASP had been 5%, 10%, 15% and 20% higher or lower, assuming all other variables remained constant:

	Year ended December 31,			Four months ended April 30,	
	2017	2018	2019	2019	2020
	(RMB'000, except for percentages)				
Increase/(decrease) in profit before taxation					
If recognized ASP per sq.m. had been 20% higher	2,257,192	3,029,959	5,007,496	830,460	554,650
As a percentage of profit before taxation	65.1%	83.0%	109.6%	90.0%	158.4%
If recognized ASP per sq.m. had been 15% higher	1,692,894	2,272,469	3,755,622	622,845	415,987
As a percentage of profit before taxation	48.8%	62.3%	82.2%	67.5%	118.8%
If recognized ASP per sq.m. had been 10% higher	1,128,596	1,514,980	2,503,748	415,230	277,325
As a percentage of profit before taxation	32.5%	41.5%	54.8%	45.0%	79.2%
If recognized ASP per sq.m. had been 5% higher	564,298	757,490	1,251,874	207,615	138,662
As a percentage of profit before taxation	16.3%	20.8%	27.4%	22.5%	39.6%
If recognized ASP per sq.m. had been 5% lower	(564,298)	(757,490)	(1,251,874)	(207,615)	(138,662)
As a percentage of profit before taxation	(16.3%)	(20.8%)	(27.4%)	(22.5%)	(39.6%)
If recognized ASP per sq.m. had been 10% lower	(1,128,596)	(1,514,980)	(2,503,748)	(415,230)	(277,325)
As a percentage of profit before taxation	(32.5%)	(41.5%)	(54.8%)	(45.0%)	(79.2%)
If recognized ASP per sq.m. had been 15% lower	(1,692,894)	(2,272,469)	(3,755,622)	(622,845)	(415,987)
As a percentage of profit before taxation	(48.8%)	(62.3%)	(82.2%)	(67.5%)	(118.8%)
If recognized ASP per sq.m. had been 20% lower	(2,257,192)	(3,029,959)	(5,007,496)	(830,460)	(554,650)
As a percentage of profit before taxation	(65.1%)	(83.0%)	(109.6%)	(90.0%)	(158.4%)

Property Management Services

We provided property management services mainly to residential and commercial properties developed by us during the Track Record Period. To focus our resources primarily on property development and sales, we disposed of the property management service business as part of the Reorganization which had been completed as of December 31, 2019. As a result, we did not record any revenue from property management services in the four months ended April 30, 2020. See "History, Reorganization and Corporate Structure — Reorganization — Disposals of Beijing Jinhui Jinjiang and Xi'an Jinhui Square Commercial Property Management."

The increases in our revenue from property management services during the three years ended December 31, 2019 were primarily attributable to an overall increase in the total GFA of properties for which we provided property management services.

Property Leasing

Revenue from property leasing consists of recurring revenue from leasing our commercial properties, such as office buildings, shopping malls and shopping streets, which are usually open-air streets with commercial shops located along side. Our revenue derived from property leasing was RMB125.7 million, RMB279.0 million, RMB352.8 million, RMB106.3 million and RMB120.0 million in 2017, 2018 and 2019 and the four months ended April 30, 2019 and 2020, respectively. Our revenue derived from property leasing increased during the Track Record Period, primarily attributable to (i) an increase in the number of investment properties that commenced operation during the Track Record Period; and (ii) an increase in the occupancy rates of our investment properties.

Management Consulting Services

We provide management consulting services to our joint ventures and associates, mainly including management consultation services provided to these entities in connection with the construction, sales and marketing of properties, and overall project management during the development and sales of properties.

Cost of Sales

Our cost of sales primarily represents the costs we incur directly relating to the property development and sales and, to a less extent, the costs we incur for our property management services and management consulting services. In 2017, 2018 and 2019 and the four months ended April 30, 2020, our cost of sales accounted for 67.8%, 69.8%, 78.2% and 73.4%, respectively, of our revenue for the same periods.

The table below sets forth a breakdown of our cost of sales for the periods indicated:

	Year ended December 31,						Four months ended April 30,			
	2017		2018		2019		2019		2020	
	RMB'000	%	RMB'000	%	RMB'000	%	RMB'000 (Unaudited)	%	RMB'000	%
Property development and sales	7,664,795	96.0	10,728,579	96.2	19,856,615	97.8	3,044,655	95.0	2,139,695	99.5
Residential	7,129,852	89.3	10,347,551	92.8	19,322,948	95.2	3,003,531	93.7	1,254,110	58.3
Commercial	534,943	6.7	381,028	3.4	533,667	2.6	41,124	1.3	885,585	41.2
Property management services	317,781	4.0	398,542	3.6	427,587	2.1	154,479	4.8	—	—
Property leasing	395	0.0	3,210	0.0	3,690	0.0	1,382	0.0	1,416	0.1
Management consulting services	1,968	0.0	15,335	0.1	12,996	0.1	5,629	0.2	8,384	0.4
Total	7,984,939	100.0	11,145,666	100.0	20,300,888	100.0	3,206,145	100.0	2,149,495	100.0

Cost of Sales for Property Development and Sales

Cost of property development and sales mainly consists of construction costs, land acquisition costs and capitalized interest.

Construction Costs

Construction costs consist of costs for the design and construction of a project, including payments to our contractors, which are responsible for engineering, construction, landscaping, equipment installation and interior decoration, as well as infrastructure construction costs and design costs. Our construction costs are affected by a number of factors, including the type and geographic conditions of the properties being constructed, the contractors we engaged or the type and amount of construction materials to be used by such contractors, which may vary from city to city or project to project.

The table below sets forth a sensitivity analysis for our construction costs illustrating, for the periods indicated, their impact on our profit before taxation if our construction costs had been 5%, 10%, 15% and 20% higher or lower, assuming all other variables remained constant:

	Year ended December 31,			Four months ended April 30,	
	2017	2018	2019	2019	2020
	(RMB'000, except for percentages)				
Increase/(decrease) in profit before taxation					
If construction costs per sq.m. had been 20% lower	924,411	1,203,659	1,708,497	292,312	195,076
As a percentage of profit before taxation	26.7%	33.0%	37.4%	31.7%	55.7%
If construction costs per sq.m. had been 15% lower	693,308	902,745	1,281,373	219,234	146,307
As a percentage of profit before taxation	20.0%	24.7%	28.1%	23.8%	41.8%
If construction costs per sq.m. had been 10% lower	462,205	601,830	854,249	146,156	97,538
As a percentage of profit before taxation	13.3%	16.5%	18.7%	15.8%	27.9%
If construction costs per sq.m. had been 5% lower	231,103	300,915	427,124	73,078	48,769
As a percentage of profit before taxation	6.7%	8.2%	9.4%	7.9%	13.9%
If construction costs per sq.m. had been 5% higher	(231,103)	(300,915)	(427,124)	(73,078)	(48,769)
As a percentage of profit before taxation	(6.7%)	(8.2%)	(9.4%)	(7.9%)	(13.9%)
If construction costs per sq.m. had been 10% higher	(462,205)	(601,830)	(854,249)	(146,156)	(97,538)
As a percentage of profit before taxation	(13.3%)	(16.5%)	(18.7%)	(15.8%)	(27.9%)
If construction costs per sq.m. had been 15% higher	(693,308)	(902,745)	(1,281,373)	(219,234)	(146,307)
As a percentage of profit before taxation	(20.0%)	(24.7%)	(28.1%)	(23.8%)	(41.8%)
If construction costs per sq.m. had been 20% higher	(924,411)	(1,203,659)	(1,708,497)	(292,312)	(195,076)
As a percentage of profit before taxation	(26.7%)	(33.0%)	(37.4%)	(31.7%)	(55.7%)

Land Acquisition Costs

Land acquisition costs include costs relating to acquisition of the rights to occupy, use and develop land which mainly represent land premium incurred in connection with a land grant from the government or land obtained by transfers, cooperative arrangements or other methods. A project's land acquisition costs are affected by a number of factors, such as the location of the land parcel, local property market condition, the timing of the land acquisition, the project's plot ratios, the method of acquisition and changes in the relevant laws and regulations. Our average land acquisition cost per sq.m. delivered, which is calculated by dividing the land acquisition costs included in our cost of sales for property development and sales for a period by the total GFA delivered in that period, was RMB2,141, RMB2,692, RMB5,120 and RMB5,357, respectively, in 2017, 2018 and 2019 and the four months ended April 30, 2020.

Capitalized Interest

Capitalized interest includes a portion of our finance costs that is directly attributable to the construction of a particular project. Finance costs that are not directly attributable to the development of a project are expensed and recorded as finance costs in our consolidated statements of profit or loss in the period during which they are incurred.

The tables below set forth breakdowns of our cost of sales for property development and sales and certain other data in relation to our cost of sale for property development and sales for the periods indicated:

	Year ended December 31,						Four months ended April 30,			
	2017		2018		2019		2019		2020	
	RMB'000	%	RMB'000	%	RMB'000	%	RMB'000	%	RMB'000	%
							(Unaudited)			
Construction costs	4,622,053	60.3	6,018,297	56.1	8,542,486	43.0	1,461,560	48.0	975,381	45.6
Land acquisition costs	2,357,650	30.8	3,455,989	32.2	9,117,422	45.9	1,254,865	41.2	904,399	42.3
Capitalized interest	685,092	8.9	1,254,293	11.7	2,196,707	11.1	328,230	10.8	259,915	12.1
Total	7,664,795	100.0	10,728,579	100.0	19,856,615	100.0	3,044,655	100.0	2,139,695	100.0

	Year ended December 31,			Four months ended April 30,	
	2017	2018	2019	2019	2020
				(Unaudited)	
Total GFA delivered (sq.m.)	1,101,092	1,283,899	1,780,617	210,221	168,816
Average cost per sq.m. delivered (RMB)(1)	6,961	8,356	11,152	14,483	12,675
Average cost as % of recognized ASP	67.9	70.8	79.3	73.3	77.2
Average land acquisition cost per sq.m. delivered (RMB)(2)	2,141	2,692	5,120	5,969	5,357
Average land acquisition cost as % of recognized ASP	20.9	22.8	36.4	30.2	32.6

Notes:

(1) Refers to the average cost of sales for our property development and sales and is derived by dividing the sum of construction costs, land acquisition costs and capitalized interest included in our cost of sales for property development for a period by the total GFA delivered during that period.

(2) Refers to the average land acquisition cost of our property development and sales and is derived by dividing the land acquisition costs included in our cost of sales for property development for a period by the total GFA delivered during that period.

Our cost of sales for property development and sales increased during the three years ended December 31, 2019, primarily due to increases in the scale of our operations as evidenced by increases in the number of our property projects completed and delivered, and accordingly an increase in our total GFA delivered. Our cost of sales decreased from the four months ended April 30, 2019 to the four months ended April 30, 2020, which was primarily due to a decrease in the total GFA delivered during the relevant periods. Our cost of sales for property development and sales as a percentage of our revenue generally increased during the Track Record Period, primarily because of increases in land acquisition costs, which were in line with the general increases in the market price of land in regions where we operate. Such increases in the market price of land were a result of the growth of local economy and the real estate industry in particular.

Cost of Sales for Property Management Services

Our cost of sales for property management services primarily includes labor costs, maintenance fees, utility costs and other miscellaneous fees.

Gross Profit and Gross Profit Margin

The table below sets forth our gross profit and gross profit margin by business line for the periods indicated:

	Year ended December 31,						Four months ended April 30,			
	2017		2018		2019		2019		2020	
	Gross profit	Gross profit margin	Gross profit	Gross profit margin	Gross profit	Gross profit margin	Gross profit	Gross profit margin	Gross profit	Gross profit margin
	RMB'000	%	RMB'000	%	RMB'000	%	RMB'000	%	RMB'000	%
							(Unaudited)			
Property development and sales	3,621,166	32.1	4,421,216	29.2	5,180,864	20.7	1,107,643	26.7	633,554	22.8
Residential	3,067,653	30.1	3,903,217	27.4	4,868,747	20.1	1,088,784	26.6	309,323	19.8
Commercial	553,513	50.8	517,999	57.6	312,117	36.9	18,859	31.4	324,231	26.8
Property management services	39,314	11.0	82,000	17.1	89,632	17.3	17,635	10.2	—	—
Property leasing	125,273	99.7	275,819	98.8	349,092	99.0	104,949	98.7	118,616	98.8
Management consulting services	5,907	75.0	46,482	75.2	42,632	76.6	17,741	75.9	27,535	76.7
Total	3,791,660	32.2	4,825,517	30.2	5,662,220	21.8	1,247,968	28.0	779,705	26.6

Our gross profit increased from RMB3,791.7 million in 2017 to RMB4,825.5 million in 2018 and further to RMB5,662.2 million in 2019, representing a CAGR of 22.2%. Our gross profit decreased by 37.5% from RMB1,248.0 million for the four months ended April 30, 2019 to RMB779.7 million for the four months ended April 30, 2020. Our gross profit margin decreased from 32.2% in 2017 to 30.2% in 2018 and to 21.8% in 2019, primarily due to decreases in our gross profit margin for property development and sales. Decreases in gross profit margin for property development and sales were primarily because increases in average cost per sq.m. delivered outpaced the increases in our recognized ASP per sq.m. in the relevant period. Such increases in average cost per sq.m. delivered were primarily due to the increases in average land acquisition cost per sq.m. delivered, mainly because we delivered certain properties located in cities where the land acquisition costs were relatively high, such as Nanjing and Shanghai. Our gross profit margin decreased from 28.0% for the four months ended April 30, 2019 to 26.6% for the four months ended April 30, 2020. This decrease was primarily due to a decrease in our gross profit margin for property development and sales from 26.7% for the four months ended April 30, 2019 to 22.8% for the four months ended April 30, 2020 because we delivered certain properties in Suzhou and Fuzhou in the four months ended April 30, 2019, and certain properties in Shijiazhuang, Tianjin and Xi'an in the four months ended April 30, 2020. The profit margin for properties delivered in Suzhou and Fuzhou were relatively higher compared to those in Shijiazhuang, Tianjin and Xi'an because of relatively high recognized ASP. The recognized ASP in Suzhou and Fuzhou were relatively high because the selling prices of properties in these cities were generally higher than those of Shijiazhuang, Tianjin and Xi'an. In addition, the properties we delivered of Fuzhou Huai'an (福州淮安) in Fuzhou were villas, which had higher recognized ASP than other types of properties. Our forecast gross profit margin for the year of 2020 is expected to be relatively lower than that for the four months ended April 30, 2020, primarily because we expect to deliver properties of a large-scale property project, namely Hangzhou Jiushang Elite's Mansion (杭州久尚雲築), which is expected to derive relatively lower profit margins in the rest of 2020. Hangzhou Jiushang Elite's Mansion is expected to have a lower profit margin because of its higher land acquisition costs and the local government's price control measures. See "Regulatory Overview — Measures on Home Purchase Restrictions and Stabilizing Housing Prices — (ii) Local Level Laws and Regulations in Relation to The Housing Price Control Measures."

Our gross profit margin for property management services increased during the three years ended December 31, 2019, primarily because we consolidated resources from our property management subsidiaries in different regions and therefore enhanced our centralized management capability and strengthened our cost control efforts.

Our gross profit margin for our property leasing business and management consulting services remained stable during the Track Record Period.

Finance Income

Our finance income amounted to RMB268.7 million, RMB213.9 million, RMB100.4 million, RMB27.9 million and RMB21.2 million in 2017, 2018 and 2019 and four months ended April 30, 2019 and 2020, respectively. Our finance income primarily consists of interest income from bank deposits, interest income from funds we advanced to our joint ventures and associates and interest received from third parties. Our finance income decreased during the Track Record Period primarily due to decreases in interest income derived from advances we made to certain joint ventures and associates. According to the General Lending Provisions, only financial institutions may engage in the business of extending loans, and loans between companies that are not financial institutions are prohibited. We had ceased to charge interest on advances to our joint ventures and associates and third parties as of December 31, 2019 to reduce the possibility being penalized by the PBOC. See "— Related Party Transactions — Balances with Related Parties."

Other Income and Gains

Our other income and gains mainly consist of (i) gain on bargain purchase; (ii) deposit forfeiture; (iii) gain on disposal of subsidiaries; and (iv) others. Gain on bargain purchase recognized in 2018 primarily represents our gains in acquiring 49% equity interests of Suzhou Jinhui Xinyuan Real Estate Co., Ltd. and 30% equity interest of Suzhou Jinhui Huayuan Real Estate Co., Ltd. from an Independent Third Party at a price below the net fair value of such equity interests. After the acquisition, we hold 100% equity interests in Suzhou Jinhui Xinyuan Real Estate Co., Ltd. See Note 38 to the Accountants' Report in Appendix I to this Prospectus. Deposit forfeiture primarily represents the forfeited deposits we received from certain potential customers who are in default on the pre-sales/sales contracts with us. Gain on disposal of subsidiaries primarily represent gains from disposing of certain of our subsidiaries. See Note 39 to the Accountants' Report in Appendix I to this Prospectus.

The table below sets forth a breakdown of our other income and gains for the periods indicated:

	Year ended December 31,						Four months ended April 30,			
	2017		2018		2019		2019		2020	
	RMB'000	%	RMB'000	%	RMB'000	%	RMB'000 (Unaudited)	%	RMB'000	%
Gain on bargain purchase	—	—	40,352	58.8	—	—	—	—	—	—
Deposit forfeiture	9,867	50.0	6,353	9.3	14,247	7.6	3,260	9.7	1,898	18.8
Gain on disposal of subsidiaries	—	—	4,245	6.2	97,589	52.0	—	—	—	—
Others[(1)]	9,854	50.0	17,627	25.7	75,805	40.4	30,298	90.3	8,207	81.2
Total	19,721	100.0	68,577	100.0	187,641	100.0	33,558	100.0	10,105	100.0

Note:

(1) Others primarily represent (i) gains on disposal of joint ventures; (ii) government subsidies received from various local governments to support our development or recognize our contribution, which were one-off by nature; (iii) gain on disposal of items of property, plant and equipment; and (iv) gains from disposal of wealth management products.

Selling and Distribution Expenses

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

The table below sets forth the components of our selling and distribution expenses for the periods indicated:

	Year ended December 31,						Four months ended April 30,			
	2017		2018		2019		2019		2020	
	RMB’000	%	RMB’000	%	RMB’000	%	RMB’000 *(Unaudited)*	%	RMB’000	%
Promotion and advertising expenses	135,033	31.1	157,942	30.4	242,023	31.4	54,684	24.0	34,533	23.9
Employee benefit expenses	134,861	31.1	151,589	29.2	189,101	24.5	73,278	32.1	49,684	34.4
Office and property management expenses	69,466	16.0	86,899	16.7	138,345	17.9	25,564	11.2	23,294	16.1
Sales expenses	79,330	18.3	106,763	20.6	184,023	23.9	70,235	30.8	34,004	23.5
Depreciation and amortization	2,063	0.5	2,901	0.6	3,141	0.4	2,121	0.9	1,799	1.2
Traveling and entertainment expenses	5,638	1.3	6,022	1.2	6,972	0.9	1,012	0.4	757	0.5
After-sales services expenses	1,830	0.4	4,257	0.8	4,209	0.5	139	0.1	92	0.1
Others[1]	6,098	1.4	2,959	0.6	3,681	0.5	1,079	0.5	337	0.2
Total	434,319	100.0	519,332	100.0	771,495	100.0	228,112	100.0	144,500	100.0

Note:

(1) Refers to miscellaneous expenses such as expenses for preparing promotional materials, expenses for assisting customers in property registrations, office cleaning expenses and expenses for employees’ uniforms.

Administrative Expenses

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

The table below sets forth the components of our administrative expenses for the periods indicated:

	Year ended December 31,						Four months ended April 30,			
	2017		2018		2019		2019		2020	
	RMB'000	%	RMB'000	%	RMB'000	%	RMB'000	%	RMB'000	%
							(Unaudited)			
Employee benefit expenses	286,221	48.0	406,683	51.2	492,548	49.9	117,916	42.7	99,196	38.8
Tax and surcharges	48,220	8.1	72,374	9.1	98,240	9.9	24,954	9.0	21,873	8.5
Depreciation and amortization	30,790	5.2	36,710	4.6	39,028	3.9	12,811	4.6	12,664	5.0
Service expenditures	27,545	4.6	35,756	4.5	50,920	5.2	10,481	3.8	12,036	4.7
Office expenses	59,907	10.0	62,512	7.9	82,010	8.3	30,415	11.0	27,463	10.7
Traveling and entertainment expenses	65,233	10.9	74,039	9.3	85,499	8.7	20,127	7.3	19,904	7.8
Professional consulting expenses	67,223	11.3	87,647	11.0	97,778	9.9	49,680	18.0	46,373	18.1
Listing expenses	—	—	—	—	9,544	1.0	—	—	7,163	2.8
Bank service charges	8,292	1.4	9,099	1.1	15,890	1.6	6,937	2.5	6,759	2.7
Others[1]	3,390	0.6	10,186	1.3	16,595	1.7	2,599	0.9	2,401	0.9
Total	596,821	100.0	795,006	100.0	988,052	100.0	275,920	100.0	255,832	100.0

Note:

(1) Refers to miscellaneous administrative expenses such as membership fees for certain industry associations.

Finance Cost

Our finance costs mainly consist of (i) interest on loans and borrowings, corporate bonds, ABS, senior notes and lease liabilities; and (ii) interest expense arising from revenue contracts, which represents interest expenses recognized for the significant financing components included in contract liabilities during the period from the receipt of sales proceeds to the delivery of the underlying properties, less capitalized interest directly relating to properties under development. The table below sets forth the components of our finance expenses for the periods indicated:

	Year ended December 31,			Four months ended April 30,	
	2017	2018	2019	2019	2020
			(RMB'000)		
				(Unaudited)	
Interest on bank and other borrowings	2,192,856	3,070,800	3,647,405	1,103,505	1,427,561
Interest expense arising from revenue contracts	401,548	538,953	553,127	54,198	104,683
Total interest expense on financial liabilities not at fair value through profit or loss	2,594,404	3,609,753	4,200,532	1,157,703	1,532,244
Less: Interest capitalized	(2,249,840)	(3,038,244)	(3,705,669)	(1,118,775)	(1,433,750)
Total	344,564	571,509	494,863	38,928	98,494

Other Expenses

Our other expenses mainly consist of (i) fines and surcharges for overdue payments, which were mainly incurred for certain non-compliance incidents. See "Business — Legal Proceedings and Compliance — Compliance with Laws and Regulations"; (ii) compensation and default payments incurred primarily due to delayed delivery of properties. During the three years ended December 31, 2019, we experienced delays in delivering three properties to our customers and as a result incurred compensation and default payments. The delays of these properties were primarily caused by measures implemented by local governments to tackle air pollution and reduce smog. For details of such measures by local governments which contributed to the delays, see "Risk Factors — Risks Relating to Our Business — We may fail to deliver our projects on time, on budget, or at all." During the four months ended April 30, 2020, we made a provision for a pending litigation in relation to a project in Fuzhou. Property purchasers of this project raised claims against us for delays in obtaining property ownership certificates. See "Business — Legal Proceedings and Compliance — Ongoing Legal Proceedings — Litigation Relating to Delays in Obtaining Property Ownership Certificates by Property Purchasers"; (iii) donations; and (iv) foreign exchange loss of our U.S. dollar-denominated senior notes incurred during the four months ended April 30, 2020 due to the appreciation of U.S. dollars against Renminbi. The table below sets forth the components of our other expenses for the periods indicated:

	Year ended December 31,						Four months ended April 30,			
	2017		2018		2019		2019		2020	
	RMB'000	%	RMB'000	%	RMB'000	%	RMB'000	%	RMB'000	%
							(Unaudited)			
Fines and surcharges for overdue payments	5,087	14.7	19,540	19.2	4,214	8.6	914	3.6	900	0.8
Compensation and default payments	7,665	22.1	57,403	56.5	38,412	78.3	24,086	96.0	15,589	13.5
Donations	19,610	56.6	23,520	23.1	5,641	11.5	—	—	24,100	20.9
Foreign exchange loss	—	—	—	—	—	—	—	—	74,618	64.6
Others(1)	2,293	6.6	1,183	1.2	798	1.6	99	0.4	183	0.2
Total	34,655	100.0	101,646	100.0	49,065	100.0	25,099	100.0	115,390	100.0

Note:

(1) Refers to miscellaneous expenses incurred in our daily operations and impairment loss.

Fair Value Gains on Investment Properties

Fair value gains on investment properties represent the changes in the fair value of our investment properties which are accounted for in our consolidated statements of profit and loss. The valuation of investment property involves the exercise of professional judgment and requires the use of certain bases and assumptions. The fair value of our investment properties has changed, and may continue to change based on property market conditions in the PRC. The fair value gains on our investment properties in 2017, 2018 and 2019 and the four months ended April 30, 2020 were RMB317.8 million, RMB616.5 million, RMB480.9 million and RMB101.1 million, respectively.

Fair Value Gains or Losses from Financial Assets at Fair Value through Profit or Loss

Our financial assets at fair value through profit or loss were primarily wealth management products issued by financial institutions in the PRC. During the Track Record Period, we purchased certain wealth management products with low risk for the purposes of achieving reasonably higher return on our excess cash than regular bank deposits in the short term. Our fair value gains from financial assets at fair value through profit or loss increased from RMB0.3 million in 2017 to RMB3.1 million in 2018 as we purchased more short-term wealth management products in order to efficiently use our excess cash in 2018. We recorded RMB0.3 million fair value loss and RMB0.2 million fair value gain from financial assets at fair value through profit or loss in 2019 and the four months ended April 30, 2020, respectively, due to slight fair value fluctuations.

The reporting accountants' opinion on the historical financial information of our Group for the Track Record Period is set out in Appendix I to this Prospectus. Details of the fair value measurement of financial assets at fair value through profit or loss, including the fair value hierarchy, is disclosed in Note 44 to the Accountants' Report in Appendix I to this Prospectus. No financial assets at fair value through profit or loss was categorized within level 3 as of the end of each year during the Track Record Period.

Share of Profits and Losses of Joint Ventures

We co-develop property development projects by establishing joint ventures with third-party property developers. Our joint ventures are entities over which we have joint control. We generally expect to record share of losses in our joint ventures as these joint ventures typically record losses as a result of administrative expenses and other expenses incurred before a project reaches its completion and delivery stage. We generally start to record share of profit when the respective property development project is completed and starts its delivery and generate return. Our share of such profits or losses is accounted for as "share of profits and losses of joint ventures" in our consolidated statements of profit or loss. Our share of profits of joint ventures in 2017 and 2019 and the four months ended April 30, 2020 was RMB426.7 million, RMB510.2 million and RMB71.4 million, respectively, and our share of losses of joint ventures in 2018 was RMB24.1 million. We recorded share of profits of joint ventures in 2017 and 2019 and the four months ended April 30, 2020 primarily because we derived a substantial revenue from joint ventures in Suzhou, Nanjing, Chongqing and Yangzhou when the relevant projects were completed and delivered. We recorded share of losses of joint ventures in 2018 because most of our joint ventures did not complete construction of properties and as a result did not deliver any properties and recognize revenue in 2018, and as a result, we recognized share of losses.

Share of Profits and Losses of Associates

We co-develop property development projects by establishing associates with third-party property developers. We generally expect to incur our share of the losses of our associates as these associates typically record losses as a result of administrative expenses and other expenses incurred before a project reaches its completion and delivery stage. We generally start to record share of profit when the respective property development project is completed and starts to generate return. Our share of such profits or losses is accounted for as "share of profits and losses of associates" in our consolidated statements of profit or loss. Our share of profits of associates in 2017 was RMB54.3 million, and our share of losses of associates in 2018 and 2019 and the four months ended April 30, 2019 and 2020 was RMB65.7 million, RMB68.8 million, RMB6.6 million and RMB19.3 million, respectively. We recorded share of profits of associates in 2017 because we derived profit from a project developed by an associate in Xi'an which was completed and delivered in 2017. Our projects developed by associates were not completed and delivered in 2018 and 2019, and therefore no revenue has been recognized by such associates in 2018 and 2019. As a result, we recorded losses for such projects developed by associates. Our share of losses of associates increased from 2018 to 2019 due to an increase in the number of projects that developed by associates from 2018 to 2019. Our share of losses of associates increased from the four months ended April 30, 2019 to the four months ended April 30, 2020 due to an increase in the number of projects that were under development by associates from the four months ended April 30, 2019 to the four months ended April 30, 2020.

Income Tax Expenses

Income tax expenses represent corporate income tax and LAT payable by our subsidiaries in the PRC. We calculate our effective corporate income tax rate (deducting the tax effect from LAT) by using the quotient of (a) the result of PRC corporate income tax plus deferred income tax, divided by (b) the result of profit before income tax minus LAT. In 2017, 2018 and 2019 and the four months ended April 30, 2020, our effective corporate income tax rate was 20.0%, 21.3%, 22.3% and 33.1%, respectively. The slight fluctuation in our effective income tax rate (deducting the tax effect from LAT) during the three years ended December 31, 2019 was primarily due to effects from share of profits and losses of joint ventures and associates. Our effective corporate tax rates during the three years ended December 31, 2019 were lower than 25%, the uniform corporate income tax applied in the PRC, because (i) two of our subsidiaries, namely, Chongqing Jinhui Changjiang and Chongqing Jinhui Changjiang Asset Management Co., Ltd., are eligible to enjoy a preferential tax rate of 15% from 2011 to 2030 pursuant to tax policies for western China; and (ii) we enjoy profit tax exemption on our investments in joint ventures and associates. Our effective corporate income tax rate was higher during the four months ended April 30, 2020 compared to the three years ended December 31, 2019 due to the effects from foreign exchange loss incurred in relation to our U.S. dollar-denominated senior notes during the four months ended April 30, 2020, which was not deductible for PRC corporate tax purposes. See "— Period to Period Comparison of Results of Operations — Other Expenses." The table below sets forth the components of our income tax expenses for the periods indicated:

	Year ended December 31,			Four months ended April 30,	
	2017	**2018**	**2019**	**2019**	**2020**
		(RMB'000)			
				(Unaudited)	
Current tax:					
PRC corporate income tax	920,395	1,314,035	1,375,919	445,342	279,153
PRC LAT	690,879	726,731	1,107,069	162,812	78,093
Deferred tax	(363,836)	(690,306)	(604,160)	(217,315)	(189,112)
Total	1,247,438	1,350,460	1,878,828	390,839	168,134

During the Track Record Period, there were no material penalties imposed by the relevant tax authorities relating to tax deficiency, and there was no material matters in dispute or unresolved with the relevant tax authorities.

Profit for the Year/Period

As a result of the foregoing, we recorded profit of RMB2,221.3 million, RMB2,299.9 million, RMB2,690.0 million, RMB531.8 million and RMB182.0 million in 2017, 2018 and 2019 and the four months ended April 30, 2019 and 2020, respectively.

TAXATION

Cayman Islands

We are incorporated in the Cayman Islands as an exempt company with limited liability. Under the current law of the Cayman Islands, we are not subject to income or capital gains tax in the Cayman Islands.

Hong Kong

No provision for Hong Kong profits tax had been made during the Track Record Period as we did not generate any assessable profits arising in Hong Kong.

PRC

PRC Corporate Income tax

Pursuant to the relevant PRC laws and regulations, a uniform 25% corporate income tax rate is generally applied to both foreign-invested enterprises and domestic enterprises, except where a special preferential rate applies. Substantially all of our subsidiaries are subject to the 25% corporate income tax rate. Two of our subsidiaries, namely, Chongqing Jinhui Changjiang and Chongqing Jinhui Changjiang Asset Management Co., Ltd., are eligible to enjoy a preferential tax rate of 15% from 2011 to 2030 pursuant to tax policies for western China. Moreover, our funds are expected to be retained in the PRC for our operations and we do not expect our PRC subsidiaries to distribute such earnings in the foreseeable future. Therefore, no deferred income tax needs to be recognized for withholding tax on dividends payable to non-PRC resident corporate investors.

LAT

Under PRC laws and regulations, our subsidiaries in the PRC are subject to LAT as determined by the local authorities in the location in which each project is located. LAT is levied at progressive rates ranging from 30% to 60% on the appreciation of land value, being the proceeds from sales of properties less deductible expenditures including land costs, borrowing costs and other property development expenditures.

PERIOD TO PERIOD COMPARISON OF RESULTS OF OPERATIONS

Four Months Ended April 30, 2020 Compared to Four Months Ended April 30, 2019

Revenue

Our revenue decreased by 34.2% from RMB4,454.1 million for the four months ended April 30, 2019 to RMB2,929.2 million for the four months ended April 30, 2020, primarily reflecting the following:

- *A decrease in revenue from property development and sales.* Revenue from property development and sales decreased by 33.2% from RMB4,152.3 million for the four months ended April 30, 2019 to RMB2,773.2 million for the four months ended April 30, 2020, primarily due to a decrease in the total GFA delivered. The decrease in our total GFA delivered was primarily driven by a decrease in the total GFA delivered of residential properties, as partially offset by an increase in total GFA delivered of commercial properties. The decrease was also partially due to a decrease in our recognized ASP from the four months ended April 30, 2019 to the four months ended April 30, 2020. Revenue from property development and sales is dependent on the total GFA delivered and the recognized ASP per sq.m. of the delivered properties during the relevant period. Our GFA fluctuated from period to period depending on the delivery schedule and size of the projects and the stage of their development. The recognized ASP of properties delivered also fluctuated from period to period primarily depending on the selling prices for properties in cities and regions where we developed and sold property projects. The total GFA of residential properties delivered in the four months ended April 30, 2020 decreased compared to the same period in 2019 as we had fewer residential properties scheduled to be delivered in the four months ended April 30, 2020 compared to the same period in 2019. During the four months ended April 30, 2019, we primarily delivered certain residential properties of Longyuan (瓏園) Project and Fuzhou Huai'an (福州淮安) in Fuzhou, Suzhou New Block Riverside (蘇州優步水岸) in Suzhou and Lianyungang Jinhui Four Seasons (連雲港四季金輝) in Lianyungang, while during the four months ended April 30, 2020, we primarily delivered certain residential properties of Xi'an Jinhui Global Plaza (Phase II) (西安金輝環球廣場(二期)) in Xi'an, Shijiazhuang New Block Avenue (石家莊優步大道) in Shijiazhuang and Tianjin Hu'an Garden (天津湖岸花園) in Tianjin. As for commercial properties, the total GFA of commercial properties delivered in the four months ended April 30, 2020 increased compared to the same period in 2019, primarily because we delivered certain commercial apartments of Xi'an Jinhui Global Plaza (西安金輝環球廣場), a large-scale project of commercial apartments in Xi'an, in April 2020. Overall, our total GFA of properties delivered decreased from 210,221 sq.m. for the four months ended April 30, 2019 to 168,816 sq.m. for the four months ended April 30, 2020. Our recognized ASP per sq.m. decreased from approximately RMB19,752 for the four months ended April 30, 2019 to approximately RMB16,428 for the four months ended April 30, 2020, primarily because we delivered certain properties in Suzhou and Fuzhou in the four months ended April 30, 2019, for which the recognized ASP per sq.m. was relatively higher than those properties we delivered in Shijiazhuang, Tianjin and Xi'an in the four months ended April 30, 2020. The selling prices of properties in Suzhou and Fuzhou were generally higher than those in Shijiazhuang, Tianjin and Xi'an. In addition, the properties we delivered of Fuzhou Huai'an (福州淮安) in Fuzhou were villas, which typically had higher recognized ASP than other types of properties.

- *A decrease in revenue from property management services.* Revenue from property management service was RMB172.1 million for the four months ended April 30, 2019. We disposed of the property management service business as part of the Reorganization in December 2019, and as a result, we did not record revenue from property management services in the four months ended April 30, 2020. See "History, Reorganization and Corporate Structure — Reorganization — Disposals of Beijing Jinhui Jinjiang and Xi'an Jinhui Square Commercial Property Management."

- *An increase in revenue from property leasing.* Revenue from property leasing increased by 12.9% from RMB106.3 million for the four months ended April 30, 2019 to RMB120.0 million for the four months ended April 30, 2020, primarily because (i) our portfolio of investment properties further expanded after April 30, 2019, with new investment properties added such as Suzhou Qianwan Commercial Center (蘇州淺灣商業中心); and (ii) the average rental rates of some investment properties and the overall occupancy rates, increased as a result of the prevailing market condition in the respective cities.

- *An increase in revenue from management consulting services*. Revenue from management consulting services increased by 53.7% from RMB23.4 million for the four months ended April 30, 2019 to RMB35.9 million for the four months ended April 30, 2020, primarily attributable to an increase in the number of projects developed by our joint ventures and associates for which we provided management consulting services.

Cost of Sales

Our cost of sales decreased by 33.0% from RMB3,206.1 million for the four months ended April 30, 2019 to RMB2,149.5 million for the four months ended April 30, 2020 in line with the decrease in total GFA delivered from the four months ended April 30, 2019 to the four months ended April 30, 2020. As a percentage of our revenue, our cost of sales remained stable at 72.0% for the four months ended April 30, 2019 and 73.4% for the four months ended April 30, 2020.

Gross Profit and Gross Profit Margin

As a result of the foregoing, our gross profit decreased by 37.5% from RMB1,248.0 million for the four months ended April 30, 2019 to RMB779.7 million for the four months ended April 30, 2020. Our gross profit margin decreased from 28.0% for the four months ended April 30, 2019 to 26.6% for the four months ended April 30, 2020. This decrease was primarily due to a decrease in our gross profit margin for property development and sales from 26.7% for the four months ended April 30, 2019 to 22.8% for the four months ended April 30, 2020 because we delivered certain properties in Suzhou and Fuzhou in the four months ended April 30, 2019, and certain properties in Shijiazhuang Tianjin and Xi'an in the four months ended April 30, 2020. The profit margin for properties delivered in Suzhou and Fuzhou were relatively high compared to those in Shijiazhuang, Tianjin and Xi'an because of relatively high recognized ASP. The recognized ASP in Suzhou and Fuzhou were relatively high because the selling prices of properties in these cities were generally higher than those of Shijiazhuang, Tianjin and Xi'an. In addition, the properties we delivered of Fuzhou Huai'an (福州淮安) in Fuzhou were villas, which had higher recognized ASP than other types of properties.

Finance Income

Our finance income decreased by 24.2% from RMB27.9 million for the four months ended April 30, 2019 to RMB21.2 million for the four months ended April 30, 2020 primarily due to a decrease in interest income derived from advances we made to certain of our joint ventures and associates and third parties. We had ceased to charge interest on advances to our joint ventures and associates and third parties as of December 31, 2019. See "— Related Party Transactions — Balances with Related Parties."

Other Income and Gains

Our other income and gains decreased by 69.9% from RMB33.6 million for the four months ended April 30, 2019 to RMB10.1 million for the four months ended April 30, 2020, primarily due to a decrease in gains recorded from disposal of certain wealth management products. We disposed a substantial portion of our wealth management products in 2019, and did not purchase additional wealth management products in the four months ended April 30, 2020. Therefore, the gains we recorded from the disposal of wealth management products decreased for the four months ended April 30, 2020 as compared to the same period of 2019. See "Business — Risk Management and Internal Control."

Selling and Distribution Expenses

Our selling and distribution expenses decreased by 36.7% from RMB228.1 million for the four months ended April 30, 2019 to RMB144.5 million for the four months ended April 30, 2020, primarily due to a decrease in promotion and advertising expenses (i) in line with the decrease in the number of our newly-launched property projects; and (ii) as a result of the decrease in sales and marketing activities due to the COVID-19 pandemic.

Administrative Expenses

Our administrative expenses decreased by 7.3% from RMB275.9 million for the four months ended April 30, 2019 to RMB255.8 million for the four months ended April 30, 2020, primarily due to (i) a decrease of tax and surcharges of stamp duties and property tax; and (ii) favorable governmental policies implemented to reduce employers' financial burdens during the outbreak of the COVID-19 pandemic in cities where we operated, as a result of which, we were exempted from making portions of employers' contributions for social welfare insurances.

Finance Cost

Our finance cost increased by 153.0% from RMB38.9 million for the four months ended April 30, 2019 to RMB98.5 million for the four months ended April 30, 2020, primarily due to an increase in interest expenses on bank and other borrowings, senior notes, corporate bonds and lease liabilities, which was in line with our increased borrowings in the four months ended April 30, 2020 to meet increased need to finance our property development projects, as partially offset by a corresponding increase in interest expenses capitalized.

Other Expenses

Our other expenses increased by 359.7% from RMB25.1 million for the four months ended April 30, 2019 to RMB115.4 million for the four months ended April 30, 2020, primarily due to (i) an increase in donations for fight against the COVID-19 pandemic for the four months ended April 30, 2020; (ii) foreign exchange loss incurred in relation to our U.S. dollar-denominated senior notes during the four months ended April 30, 2020 due to the appreciation of U.S. dollars against Renminbi; and (iii) a provision of RMB15.0 million made for a pending litigation. See "Business — Legal Proceedings and Compliance — Ongoing Legal Proceedings — Litigation Relating to Delays in Obtaining Property Ownership Certificates by Property Purchasers."

Fair Value Gains on Investment Properties

Our fair value gains on investment properties decreased by 59.9% from RMB251.9 million for the four months ended April 30, 2019 to RMB101.1 million for the four months ended April 30, 2020, primarily because Suzhou Qianwan Commercial Center (蘇州淺灣商業中心) was added to our investment properties portfolio during the four months ended April 30, 2019, and accordingly we recorded a relatively high level of appreciation in value for the four months ended April 30, 2019 compared to the same period in 2020.

Share of Profits and Losses of Joint Ventures

We recorded share of losses of joint ventures of RMB60.9 million for the four months ended April 30, 2019 as our joint ventures did not complete and deliver any properties for the four months ended April 30, 2019. We recorded share of profits of joint ventures of RMB71.4 million for the four months ended April 30, 2020 as a joint venture in Yangzhou completed and delivered certain properties for the four months ended April 30, 2020.

Share of Losses of Associates

Our share of losses of associates increased by 191.1% from RMB6.6 million for the four months ended April 30, 2019 to RMB19.3 million for the four months ended April 30, 2020. Our projects developed by associates were not completed and delivered for the four months ended April 30, 2019 and 2020, and therefore we recorded losses for such projects. Our share of losses of associates increased from the four months ended April 30, 2019 to the four months ended April 30, 2020 due to an increase in the number of projects that were under development by associates from the four months ended April 30, 2019 to the four months ended April 30, 2020.

Profit before Income Tax

As a result of the foregoing, our profit before income tax decreased by 62.0% from RMB922.6 million for the four months ended April 30, 2019 to RMB350.1 million for the four months ended April 30, 2020.

Income Tax Expenses

Our income tax expenses decreased by 57.0% from RMB390.8 million for the four months ended April 30, 2019 to RMB168.1 million for the four months ended April 30, 2020, primarily due to a decrease in taxable income and LAT as a result of the decrease in revenue derived from property development and sales.

Profit for the Period

As a result of the foregoing, our profit for the period decreased by 65.8% from RMB531.8 million for the four months ended April 30, 2019 to RMB182.0 million for the four months ended April 30, 2020.

2019 Compared to 2018

Revenue

Our revenue increased by 62.6% from RMB15,971.2 million in 2018 to RMB25,963.1 million in 2019, primarily reflecting the following:

- *An increase in revenue from property development and sales.* Revenue from property development and sales increased by 65.3% from RMB15,149.8 million in 2018 to RMB25,037.5 million in 2019, primarily attributable to an increase in the total GFA delivered from 2018 to 2019 as well as an increase in our recognized ASP from 2018 to 2019. Our total GFA of properties delivered increased from 1,283,899 sq.m. in 2018 to 1,780,617 sq.m. in 2019, primarily due to an increase in the number of properties sold and delivered in cities such as Shanghai, Chongqing, Fuzhou and Shenyang. Our recognized ASP per sq.m. increased from approximately RMB11,800 in 2018 to approximately RMB14,061 in 2019, primarily due to the delivery of certain properties with relatively high recognized ASP per sq.m., such as Shanghai Jinhui Tiancui Garden (上海金輝天萃苑), for which the recognized ASP per sq.m. was higher, and in line with the relatively high market price of properties in Shanghai compared with other cities in China.

- *An increase in revenue from property management services.* Revenue from property management services increased by 7.6% from RMB480.5 million in 2018 to RMB517.2 million in 2019, primarily attributable to an increase in the total GFA of properties for which we provided property management services from 2018 to 2019. To focus our resources primarily on property development and sales, we disposed of our property management service business as part of the Reorganization and the disposal was completed in December 2019. See "History, Reorganization and Corporate Structure." As a result, we did not record any revenue from property management services in the four months ended April 30, 2020.

- *An increase in revenue from property leasing*. Revenue from property leasing increased by 26.4% from RMB279.0 million in 2018 to RMB352.8 million in 2019, primarily due to an increase in rental income from certain investment properties, such as Beijing Radiance Plaza (北京金輝大廈) as its occupancy rate has significantly increased since 2018, and Xi'an Jinhui Global Plaza (Block B) (西安金輝環球廣場(B棟)) as it commenced operation in April 2018.

- *A decrease in revenue from management consulting services*. Revenue from management consulting services decreased slightly by 10.0% from RMB61.8 million in 2018 to RMB55.6 million in 2019, as certain projects developed by our joint ventures or associates for which we provided management consulting services were completed and delivered in 2019, leading to a decrease in the number of projects for which we provided such services in 2019.

Cost of Sales

Our cost of sales increased by 82.1% from RMB11,145.7 million in 2018 to RMB20,300.9 million in 2019, which was primarily due to a significant increase in the scale of our operation as evidenced by the increase in total GFA delivered from 2018 to 2019. As a percentage of our revenue, our cost of sales increased from 69.8% in 2018 to 78.2% in 2019, which was primarily attributable to an increase in land acquisition costs as reflected by an increase in average land acquisition cost per sq.m. delivered from RMB2,692 in 2018 to RMB5,120 in 2019.

Gross Profit and Gross Profit Margin

As a result of the foregoing, our gross profit increased by 17.3% from RMB4,825.5 million in 2018 to RMB5,662.2 million in 2019. Our gross profit margin decreased from 30.2% in 2018 to 21.8% in 2019. This decrease was primarily due to a decrease in our gross profit margin for property development and sales from 29.2% in 2018 to 20.7% in 2019 as the increase in average cost per sq.m. delivered outpaced the increase in our ASP per sq.m. The increase in the average cost per sq.m. delivered was primarily due to an increase in land acquisition costs recognized for projects delivered in cities where the land acquisition costs were relatively higher, such as Nanjing and Shanghai.

Finance Income

Our finance income decreased by 53.1% from RMB213.9 million in 2018 to RMB100.4 million in 2019 primarily due to a decrease in interest income derived from advances we made to certain of our joint ventures and associates and third parties. We had ceased to charge interest on advances to our joint ventures and associates and third parties as of December 31, 2019.

Other Income and Gains

Our other income and gains increased by 173.5% from RMB68.6 million in 2018 to RMB187.6 million in 2019, primarily due to gains recorded from disposal of certain of our subsidiaries in 2019, mainly including

Lianyungang Tianjun Real Estate Co., Ltd., or, Lianyungang Tianjun, for which we recorded RMB88.5 million gain from the disposal. We disposed of 100% equity interest in Lianyungang Tianjun to Fujian Tongmingruida Industrial Co., Ltd. (福建通明瑞達實業有限公司) in July 2019. We decided to dispose of Lianyungang Tianjun because (i) we expected the development costs to increase in line with the increase in construction and labor costs; (ii) we may not be able to derive the expected return from this project primarily due to the location of this project as well as price control measures taken by local government in the first half of 2019. In 2019, we disposed of 100% equity interest in Beijing Jinhui Jinjiang, together with its subsidiaries and branches to Fuzhou Jinhui Property Management Co., Ltd. (福州金惠物業管理有限公司), a company indirectly wholly owned by our ultimate Controlling Shareholders, for a consideration of RMB27.0 million. The consideration was determined by reference to the fair value of the equity interest being disposed of. See "History, Reorganization and Corporate Structure — Reorganization — Disposals of Beijing Jinhui Jinjiang and Xi'an Jinhui Square." There was another transaction which has been deemed as disposal of subsidiary as a result of additional capital injections made by other shareholders. See Note 39 to the Accountants' Report in Appendix I to this Prospectus. We also recorded gains from disposal of certain wealth management products. See "Business — Risk Management and Internal Control."

Selling and Distribution Expenses

Our selling and distribution expenses increased by 48.6% from RMB519.3 million in 2018 to RMB771.5 million in 2019, primarily due to (i) an increase in promotion and advertising expenses in line with the increase in our newly-launched property projects; (ii) an increase in sales expenses recognized as a result of an increase in property sold and delivered; and (iii) the increases in employee benefit expenses and office and property management expenses in line with our business expansion.

Administrative Expenses

Our administrative expenses increased by 24.3% from RMB795.0 million in 2018 to RMB988.1 million in 2019, primarily due to our business expansion, resulting in the increase in our employee benefit expenses as the management and administrative headcounts increased, the overall increases in surcharges, office expenses, service expenditures, traveling and entertainment expenses, and other miscellaneous expenses. In addition, we incurred listing expenses of RMB9.5 million in 2019.

Finance Cost

Our finance cost decreased by 13.4% from RMB571.5 million in 2018 to RMB494.9 million in 2019, primarily due to an increase in capitalized interest associated with increased funding used to finance project construction, as partially offset by an increase in interest on loans and borrowings.

Other Expenses

Our other expenses decreased by 51.7% from RMB101.6 million in 2018 to RMB49.1 million in 2019, primarily due to (i) a decrease in donations in 2019; (ii) a decrease in the number of incidents which led to fines and surcharges in 2019 as a result of our enhanced internal control efforts; and (iii) a decrease in the compensation and default payments we paid for late delivery of a project in 2018, which was mainly caused by suspension of construction required by the local government to reduce smog. Various local governments formulated measures to tackle air pollution and reduce smog, including measures with respect to construction activities. To comply with such measures, construction activities related to earth works and main works may be affected from time to time. See "Risk Factors — Risks Relating to Our Business — We may fail to deliver our projects on time, on budget, or at all."

Fair Value Gains on Investment Properties

Our fair value gains on investment properties decreased by 22.0% from RMB616.5 million in 2018 to RMB480.9 million in 2019, primarily because the construction of Xi'an Jinhui Global Plaza (Block B) was completed in 2018, and accordingly we recorded a relatively high level of appreciation in value in 2018 compared to 2019.

Share of Profits and Losses of Joint Ventures

We recorded share of losses of joint ventures of RMB24.1 million in 2018 as our joint ventures did not complete and deliver any properties in 2018. We recorded share of profits of joint ventures of RMB510.2 million in 2019 as our joint ventures in Nanjing and Chongqing completed and delivered certain properties in 2019.

Share of Losses of Associates

Our share of losses of associates increased by 4.7% from RMB65.7 million in 2018 to RMB68.8 million in 2019. Our projects developed by associates were not completed and delivered in 2018 and 2019, and therefore we recorded losses for such projects. Our share of losses of associates increased from 2018 to 2019 due to an increase in the number of unfinished projects that were developed by associates from 2018 to 2019.

Profit before Income Tax

As a result of the foregoing, our profit before income tax increased by 25.2% from RMB3,650.3 million in 2018 to RMB4,568.8 million in 2019.

Income Tax Expenses

Our income tax expenses increased by 39.1% from RMB1,350.5 million in 2018 to RMB1,878.8 million in 2019, primarily due to an increase in taxable income and LAT as a result of an increase in revenue derived from property development and sales.

Profit for the Year

As a result of the foregoing, our profit for the year increased by 17.0% from RMB2,299.9 million in 2018 to RMB2,690.0 million in 2019.

2018 Compared to 2017

Revenue

Our revenue increased by 35.6% from RMB11,776.6 million in 2017 to RMB15,971.2 million in 2018, primarily reflecting the following:

- *An increase in revenue from property development and sales.* Our revenue from property development and sales increased by 34.2% from RMB11,286.0 million in 2017 to RMB15,149.8 million in 2018, primarily attributable to an increase in the total GFA delivered from 2017 to 2018 as well as an increase in our recognized ASP from 2017 to 2018. Our total GFA of properties delivered increased from 1,101,092 sq.m. in 2017 to 1,283,899 sq.m. in 2018, primarily due to an increase in the number of properties sold and delivered in cities such as Chongqing, Fuzhou, Shanghai and Lianyungang. Our recognized ASP per sq.m. increased from approximately RMB10,250 in 2017 to approximately RMB11,800 in 2018, primarily due to the delivery of certain properties with relatively high recognized ASP per sq.m., such as Fuzhou Huai'an (福州淮安), of which the recognized ASP per sq.m. was higher because properties delivered included villas.

- *An increase in revenue from property management services*. Our revenue from property management services increased by 34.6% from RMB357.1 million in 2017 to RMB480.5 million in 2018, primarily attributable to an increase in the total GFA of properties for which we provided property management services from 2017 to 2018.

- *An increase in revenue from property leasing*. Our revenue from property leasing increased by 122.0% from RMB125.7 million in 2017 to RMB279.0 million in 2018, primarily because we commenced leasing Beijing Radiance Plaza (北京金輝大廈), an office building located in a prime location in Beijing in mid-2017. Therefore, the period during which Beijing Radiance Plaza generated rental income was shorter in 2017 than in 2018.

- *An increase in revenue from management consulting services*. Our revenue from management consulting services increased by 682.3% from RMB7.9 million in 2017 to RMB61.8 million in 2018, primarily attributable to an increase in the number of joint ventures and associates to which we provided management consulting services.

Cost of Sales

Our cost of sales increased by 39.6% from RMB7,984.9 million in 2017 to RMB11,145.7 million in 2018, which was primarily due to an increase in our cost of sales for property development and sales. Our cost of sales for property development and sales increased by 40.0% from RMB7,664.8 million in 2017 to RMB10,728.6 million in 2018, primarily because (i) an increase in total GFA delivered from 2017 to 2018; (ii) an increase in construction costs resulting from an increase in the number of projects delivered; and (iii) an increase in land acquisition costs as reflected by an increase in average land acquisition cost per sq.m. delivered from RMB2,141 in 2017 to RMB2,692 in 2018.

Gross Profit and Gross Profit Margin

As a result of the foregoing, our gross profit increased by 27.3% from RMB3,791.7 million in 2017 to RMB4,825.5 million in 2018. Our gross profit margin decreased from 32.2% in 2017 to 30.2% in 2018. This decrease was primarily due to a decrease of our gross profit margin for property development and sales from 32.1% in 2017 to 29.2% in 2018 as the increase in average cost per sq.m. delivered outpaced the increase in our recognized ASP per sq.m. The increase in the average cost per sq.m. delivered was primarily due to an increase in land acquisition costs recognized for project delivered in cities where the land acquisition costs were relatively high, such as Fuzhou and Shanghai.

Finance Income

Our finance income decreased by 20.4% from RMB268.7 million in 2017 to RMB213.9 million in 2018 because we had stopped charging interest on funds provided to two of our joint ventures and associates since June 30, 2018.

Other Income and Gains

Our other income and gains increased by 247.7% from RMB19.7 million in 2017 to RMB68.6 million in 2018, primarily attributable to gains recorded on bargain purchase from acquiring Suzhou Jinhui Xinyuan Real Estate Co., Ltd. and Suzhou Jinhui Huayuan Real Estate Co., Ltd. in 2018, as partially offset by a decrease in deposit forfeiture as a result of fewer customers' defaults on pre-sales/sales contracts in 2018.

Selling and Distribution Expenses

Our selling and distribution expenses increased by 19.6% from RMB434.3 million in 2017 to RMB519.3 million to 2018, primarily attributable to (i) an increase in sales expenses recognized as a result of an increase in property sold and delivered; (ii) the increases in office and property management expenses and employee benefit expenses, which were primarily because of an increase in the number of our sales offices and sales personnel in line with our business expansion; and (iii) an increase in our promotion and advertising expenses as a result of our strengthened selling and marketing efforts to promote newly-launched property projects.

Administrative Expenses

Our administrative expenses increased by 33.2% from RMB596.8 million in 2017 to RMB795.0 million in 2018, primarily due to (i) an increase in employee benefit expenses, which was in line with an increase in the number of our administrative employees; (ii) an increase in surcharges, which was primarily because of an increase in stamp duties and property tax as a result of an increase in the amount of our property sales and rental income; and (iii) an increase in professional consulting expenses as we engaged third-party service providers as part of our enhanced efforts toward improving our product design aiming to establish standardized product series.

Finance Cost

Our finance cost increased by 65.9% from RMB344.6 million in 2017 to RMB571.5 million in 2018, primarily due to an increase in interest expenses on bank and other borrowings, corporate bonds, ABS and lease liabilities, which was in line with our increased borrowings in 2018 to meet increased need for financing our property development projects to support our business growth, as partially offset by a corresponding increase in interest expenses capitalized.

Other Expenses

Our other expenses increased by 193.3% from RMB34.7 million in 2017 to RMB101.6 million in 2018, primarily because of the compensation and default payments we paid for late delivery of a project in 2018. The late delivery was caused by the suspension of construction required by the local government to reduce smog.

Fair Value Gains on Investment Properties

Our fair value gains on investment properties increased by 94.0% from RMB317.8 million in 2017 to RMB616.5 million in 2018, primarily because the construction of Xi'an Jinhui Global Plaza (Block B) was completed in 2018 and accordingly we recorded a relatively high level of appreciation in value in 2018 compared to 2017.

Share of Profits and Losses of Joint Ventures

We recorded share of profits of joint ventures of RMB426.7 million in 2017 as we derived substantial amount of profit from a joint venture in Suzhou in 2017 when the relevant project was completed and delivered. We recorded share of losses of joint ventures of RMB24.1 million in 2018 as our joint ventures did not complete and deliver any properties in 2018.

Share of Profits and Losses of Associates

We recorded share of profits of associates of RMB54.3 million in 2017, and recorded share of losses of associates of RMB65.7 million in 2018, because we derived profits from a project we developed with an associate in Xi'an which was completed and delivered in 2017. Our projects developed by associates were not completed and delivered in 2018, and we did not recognize revenue as a result.

Profit before Income Tax

As a result of the foregoing, our profit before income tax increased by 5.2% from RMB3,468.8 million in 2017 to RMB3,650.3 million in 2018.

Income Tax Expenses

Our income tax expenses increased by 8.3% from RMB1,247.4 million in 2017 to RMB1,350.5 million in 2018, primarily due to an increase in taxable income and LAT as a result of an increase in revenue derived from property development and sales.

Profit for the Year

As a result of the foregoing, our profit for the year increased by 3.5% from RMB2,221.3 million in 2017 to RMB2,299.9 million in 2018.

DESCRIPTION OF CERTAIN CONSOLIDATED STATEMENTS OF FINANCIAL POSITION ITEMS

Properties under Development

Properties under development are intended to be held for sale after completion. We state properties under development at the lower of costs comprising land costs, construction costs, borrowing costs, professional fees and other costs directly attributable to such properties incurred during the development period and net realizable value. Upon completion, the properties are transferred to completed properties held for sale. The value of our properties under development amounted to RMB44,645.8 million, RMB66,994.0 million, RMB86,103.7 million and RMB94,264.4 million, respectively, as of December 31, 2017, 2018 and 2019 and April 30, 2020. The increases in our properties under development during the Track Record Period were primarily due to the expansion of our property development activities.

The value of properties under development was assessed at the end of each period during the Track Record Period. During the Track Record Period, we made provisions for impairment of properties under development primarily because the development costs per sq.m. that we had incurred and expect to incur for such property projects were higher than their estimated net realizable value, which was determined by reference to the sale proceeds of properties sold in the ordinary course of business, less applicable variable selling expenses, or by management estimates based on prevailing marketing conditions. The provision for impairment of properties under development increased from RMB138.1 million as of December 31, 2017 to RMB427.8 million as of December 31, 2018, primarily because we made provisions for impairment for certain large-scale projects in Shanghai and Nanjing in 2018. The amount of provisions for impairment of properties under development decreased from RMB427.8 million as of December 31, 2018 to RMB269.4 million as of December 31, 2019 and remained stable at RMB269.4 million as of April 30, 2020, primarily because the above-mentioned projects in Shanghai and Nanjing were completed and such provisions for impairment were transferred to provisions for impairment for completed properties held for sale. We may make provision of impairment in the future or incur further impairment losses, if any or at similar level, during adverse market conditions in the future or as a result of relevant local government's housing price control measures. See "Regulatory Overview — Measures on Home Purchase Restrictions and Stabilizing Housing Prices — (ii) Local Level Laws and Regulations in Relation to The Housing Price Control Measures." Our Directors are of the view that the impairment provisions made for properties under development at the end of each period during the Track Record Period are adequate. The table below sets forth the movements in provisions for impairment of properties under development as of the dates indicated:

	As of December 31,			As of April 30,
	2017	2018	2019	2020
	(RMB'000)			
At the beginning of the year/period	—	(138,090)	(427,807)	(269,411)
Impairment losses	(138,090)	(289,717)	(183,913)	—
Impairment losses transferred to completed properties held for sale	—	—	342,309	—
At the end of the year/period	(138,090)	(427,807)	(269,411)	(269,411)

As of August 31, 2020, RMB3,314.6 million, or 3.5%, of our properties under development as of April 30, 2020, was transferred to completed properties held for sale.

Completed Properties Held for Sale

Completed properties held for sale represent completed properties remaining unsold at the end of each year and are stated at the lower of cost and net realizable value. Cost of completed properties held for sale is determined by an apportionment of total costs incurred attributable to the unsold properties. Net realizable value is determined by reference to the price ultimately expected to be realized, less estimated costs to be incurred in selling the properties. As of December 31, 2017, 2018 and 2019 and April 30, 2020, our completed properties held for sale amounted to RMB4,687.9 million, RMB5,504.5 million, RMB8,884.7 million and RMB11,009.5 million, respectively. Our completed properties held for sale increased during the Track Record Period, which was in line with the expansion of our property development activities.

The value of completed properties held for sale was assessed at the end of each period during the Track Record Period. During the Track Record Period, we made provisions for impairment of completed properties held for sale primarily because the development costs per sq.m. that we had incurred for such property projects were higher than their estimated net realizable value, which was determined by reference to the sale proceeds of properties sold in the ordinary course of business, less applicable variable selling expenses, or by management estimates based on prevailing marketing conditions. The provisions for impairment of completed properties held for sale decreased from RMB347.5 million as of December 31, 2017 to RMB252.2 million as of December 31, 2018, primarily because properties of certain projects in Chongqing, Fuzhou and Huai'an for which provisions of impairment were made in 2017 were subsequently sold in 2018. The amount of provisions for impairment of completed properties held for sale increased from RMB252.2 million as of December 31, 2018 to RMB523.8 million as of December 31, 2019, primarily because we made provisions of impairment for properties of Chongqing Jinhui City (重慶金輝城) and Chongqing Zhongyang King's Garden (重慶中央銘著) as a result of a decrease in selling prices of properties in Chongqing. As the above-mentioned projects in Chongqing were large-scale projects delivered in phases, we re-evaluated their estimated net realizable value on December 31, 2019 with reference to the pre-sale prices of properties of these projects recently pre-sold, and made additional provisions of impairment in the amount of RMB229.4 million for completed properties held for sale of these two projects. The provisions for impairment of completed properties held for sale decreased from RMB523.8 million as of December 31, 2019 to RMB481.6 million as of April 30, 2020 primarily because properties of certain projects in Shanghai, Chongqing and Xi'an for which provisions of impairment were made as of December 31, 2019 were subsequently sold in the four months ended April 30, 2020. Our Directors are of the view that the impairment provisions made for completed properties held for sale at the end of each period during the Track Record Period are adequate. We may make provision of impairment in the future or incur further impairment losses, if any or at similar level, during adverse market conditions in the future or as a result of relevant local government's housing price control measures. The table below sets forth the movements in provisions for impairment of completed properties held for sale as of the dates indicated:

	As of December 31,			As of April 30,
	2017	2018	2019	2020
	(RMB'000)			
At the beginning of the year/period	(445,547)	(347,528)	(252,164)	(523,781)
Impairment losses written off	104,591	114,279	335,987	42,153
Impairment losses transferred from properties under development	—	—	(342,309)	—
Impairment losses	(6,572)	(18,915)	(265,295)	—
At the end of the year/period	(347,528)	(252,164)	(523,781)	(481,628)

As of August 31, 2020, we had sold approximately RMB5,579.4 million, or 50.7% of the completed properties held for sale as of April 30, 2020.

Investment Properties

Investment properties are properties we retain mainly for rental purposes and for capital appreciation. The fair value of each of our investment properties has fluctuated, and is likely to continue to fluctuate, in accordance with the prevailing property market conditions. The fair value of our investment properties amounted to RMB8,725.1 million, RMB9,735.3 million, RMB10,506.2 million and RMB10,616.7 million, respectively, as of December 31, 2017, 2018 and 2019 and April 30, 2020. The increases in fair value of our investment properties during the Track Record Period were primarily due to (i) the continuous expansion of our investment properties portfolio such as the addition of Suzhou Qianwan Commercial Center (蘇州淺灣商業中心) and Xi'an Jinhui World City Block G (西安金輝世界城G棟) in 2019; and (ii) the appreciation in fair value of our investment properties.

Trade Receivables

Our trade receivables primarily consist of rentals receivables from our tenants in connection with our investments properties, outstanding service fees due from clients as well as trade amounts due from purchasers of our properties. Our trade receivables increased from RMB103.6 million as of December 31, 2017 to RMB144.7 million as of December 31, 2018 in line with our business growth. Our trade receivables then decreased significantly to RMB25.4 million as of December 31, 2019 and further to RMB22.9 million as of April 30, 2020 because we disposed of our property management business in December 2019.

Our trade receivables are unsecured and non-interest-bearing and the carrying amounts of trade receivables approximate to their fair value. The table below sets forth the aging analysis of the trade receivables as of the dates indicated.

	As of December 31,			As of April 30,
	2017	2018	2019	2020
	(RMB'000)			
Within one year	92,574	114,935	19,092	17,674
One to three years	7,583	27,697	3,551	2,477
Over three years	3,450	2,078	2,717	2,707
Total	103,607	144,710	25,360	22,858

The table below sets forth a breakdown of our trade receivables by business line as of the dates indicated.

	As of December 31,			As of April 30,
	2017	2018	2019	2020
	(RMB'000)			
Property development and sales	68,921	99,089	9,921	3,864
Property management services	36,820	41,175	—	—
Property leasing	2,263	7,663	16,804	20,529
Less: Impairment	(4,396)	(3,217)	(1,365)	(1,536)
Total	103,607	144,710	25,360	22,858

Our trade receivables from property development and sales decreased from December 31, 2018 to December 31, 2019, primarily because we had fewer properties sold after construction completion towards the end of 2019, and as a result, we recorded less trade receivables for the respective installment payments to be received from purchasers. We conducted impairment analysis at the end of each year using a provision matrix to measure credit losses. The provision matrix is determined based on historical observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date the historical observed default rates are updated and changes in the forward-looking estimates are analyzed. In view of the above, as of December 31, 2017, 2018 and 2019 and April 30, 2020, we had a provision for impairment of trade receivable of RMB4.4 million, RMB3.2 million, RMB1.4 million and RMB1.5 million, respectively.

Our trade receivables turnover days were 3.5 days, 2.8 days, 1.2 days and 1.0 days in 2017, 2018 and 2019 and the four months ended April 30, 2020, respectively. The table below sets forth a breakdown of our trade receivables turnover days by business line as of the dates indicated.

	For the year ended December 31,			For the four months ended April 30,
	2017	2018	2019	2020
	(Days)			
Property development and sales	2.5	2.0	0.8	0.3
Property management services	37.2	29.6	N/A	N/A
Property leasing	13.0	6.5	12.7	18.9
Total	3.5	2.8	1.2	1.0

Our trade receivables turnover days are calculated by dividing the average of trade receivables at the beginning and the end of relevant period by revenue and multiply the resulting value by number of days in the relevant period. For our property development and sales business, properties are usually pre-sold and we do not record any trade receivables. For the relatively fewer properties which are sold after construction completion, payments are made in installments and such amounts due from purchasers are recorded as trade receivables. We usually grant credit terms of approximately one to three months for such trade receivables. For our property management services business, we generally issue demand notes for payment of property management fees on a monthly basis with no credit terms. For our property leasing business, we generally issue demand notes for payment of rental fees on a monthly or quarterly basis with no credit terms.

The decrease in our trade receivable turnover days for our property development and sales business from 2017 to 2018 was primarily because the increase in revenue outweighed the increases in the average of trade receivables for this business line. Specifically, the amount of the trade receivables from property development and sales business was relatively small, because we only recorded trade receivables for those properties sold after construction completion, whereas most of our properties were pre-sold. Trade receivable turnover days for property development and sales business decreased from 2018 to 2019, and further to the four month ended April 30, 2020, mainly due to decrease in trade receivables during the respective periods.

The decrease in our trade receivable turnover days for our property management services business from 2017 to 2018 was primarily because the increase in revenue outweighed the increase in the average of trade receivables for this business line. We disposed our property management business in December 2019, and therefore trade receivable turnover days were not applicable for 2019 and the four months ended April 30, 2020.

The decrease in our trade receivable turnover days for our property leasing business from 2017 to 2018 was primarily because the increase in revenue outweighed the increase in the average of trade receivables for this business line. The increase in our trade receivable turnover days for our property leasing business from 2018 to 2019 was primarily because of an increase in rental income due from tenants of our investment properties. Our trade receivable turnover days further increased from 2019 to the four months ended April 30, 2020 because the COVID-19 pandemic caused slight increase in the average time for our collection of trade receivables.

As of August 31, 2020, approximately RMB6.8 million, representing 29.9% of trade receivables as of April 30, 2020, were subsequently collected. Among the trade receivables as of April 30, 2020, RMB16.1 million had not been collected as of August 31, 2020, which was mainly associated with the rental receivables due from one of our Independent Third Party tenants who was in a rent-deferral period as of August 31, 2020. We granted a relatively long rent-deferral period to this tenant to cope with its relatively long tenancy term. The relevant deposits in connection with the lease were fully paid by the tenant. As of August 31, 2020 and the date of this Prospectus, nothing has come to our attention that the ability of the tenant for timely paying the rental fees would be impaired.

Prepayments and Other Receivables

The table below sets forth the components of our prepayments and other receivables as of the dates indicated:

	As of December 31,			As of April 30,
	2017	**2018**	**2019**	**2020**
	(RMB'000)			
Prepayments for acquisition of land use rights	2,882,079	765,189	5,593,922	2,673,395
Deposits for land auction	1,711,750	1,038,160	254,453	218,153
Deposits related to land use rights to be jointly acquired with third parties	1,292,945	633,895	702,435	454,877
Prepaid taxes and other tax recoverables	946,102	1,732,299	2,690,222	2,905,624
Other deposits	467,612	564,751	565,820	577,817
Prepayments for construction cost	83,727	183,473	216,700	145,107
Due from non-controlling shareholders of the subsidiaries	—	1,224,304	1,926,002	2,023,209
Other receivables[(1)]	190,222	223,807	297,197	272,554
	7,574,437	6,365,878	12,246,751	9,270,736
Less: Impairment	(468)	(1,789)	(2,992)	(2,601)
Total	7,573,969	6,364,089	12,243,759	9,268,135

Note:

(1) Other receivables mainly include (i) utility fees to be received from our tenants which we paid in advance to utility providers; and (ii) staff advances we made to our staff from time to time for business purposes.

Prepayments for acquisition of land use rights represent the land premium deposits we paid for land parcels acquired through public tenders, auctions and listing-for-sale. We recorded such land premium deposits as prepayments before we obtained land use right certificates for the respective land parcels. There is a time difference between the time we paid the land premium deposits and the time we obtained land use right certificates. Our prepayments for acquisition of land use rights decreased from RMB2,882.1 million as of December 31, 2017 to RMB765.2 million as of December 31, 2018, primarily because of the reclassification of the balance amount as of December 31, 2017 to properties under development after we obtained the land use certificates for, and commenced development of, new projects relating to such land use rights in 2018. Our prepayments for acquisition of land use rights increased from RMB765.2 million as of December 31, 2018 to RMB5,593.9 million as of December 31, 2019, primarily because we acquired more land parcels through public tenders and auctions in cities such as Chongqing and Xuzhou, but had not obtained land use right certificates as of December 31, 2019. Our prepayments for acquisition of land use rights decreased from RMB5,593.9 million as of December 31, 2019 to RMB2,673.4 million as of April 30, 2020 primarily because we had obtained land use right certificates for the above-mentioned land parcels in cities such as Chongqing and Xuzhou as of April 30, 2020, and the relevant balance amount had been reclassified to properties under development. As of August 31, 2020, RMB2,270.0 million, or 84.9% of the balance amount as of April 30, 2020 was reclassified to properties under development after we obtained the land use certificates for, and commenced development of, the new projects relating to such land use rights during the period between April 30, 2020 and August 31, 2020.

Deposits for land auction represent the tender deposits prepaid for bidding of land use rights, which fluctuated with the timing and deposits required for the biddings of land parcels we intended to participate in. In general, if our proposed tender is unsuccessful, the deposit will be returned to us in full. If our proposed tender is successful, the deposit will become pre-paid land costs.

Deposits related to land use rights to be jointly acquired with third parties represent the payments we made in order to jointly attend the land auction and develop the project with third parties before the relevant project companies are incorporated. Our deposits related to land use rights to be jointly acquired with third parties fluctuated during the Track Record Period in line with the change to numbers of bidding we intended to jointly attend with third parties.

Prepaid taxes and other tax recoverables primarily represent prepaid turnover tax and other surcharges. Our prepaid taxes and other tax recoverables increased during the Track Record Period which was in line with the increases in our property sales.

Other deposits mainly include deposits for construction worker's compensation, utility deposits and pre-sale proceeds deposited with the local governmental authorities or their designated entities. Other deposits generally increased during the Track Record Period primarily due to the increases in pre-sale proceeds deposited with the relevant government authorities in line with our growth.

Prepayments for construction cost represent prepayments we made to our contractors for the construction of our property projects. Prepayments for construction cost increased from December 31, 2017 to December 31, 2019 mainly due to the increases in our property development activities in line with our business expansion.

Prepayments for construction cost decreased from December 31, 2019 to April 30, 2020 because a portion of the balance was reclassified to properties under development in accordance with the development progress of the relevant projects.

Other receivables mainly include (i) utility fees to be received from our tenants which we paid in advance to utility providers; and (ii) staff advances we made to our staff from time to time for business purposes. As the utility fees we paid in advance to utility providers are usually received from our tenants along with the monthly rentals, and the staff advances are usually transferred to our administrative or selling and marketing expenses after the actual expenses are incurred, our Directors are of the view that there is no recoverability issue identified for our other receivables. As of August 31, 2020, approximately RMB67.4 million, representing 24.7% of other receivables as of April 30, 2020, were subsequently collected.

Amounts due from non-controlling shareholders of the subsidiaries are mainly cash advances made from our non-wholly owned subsidiaries to non-controlling shareholders who are Independent Third Parties from time to time. A surplus of funds is generally considered available when the following conditions are met: (i) the relevant pre-sales proceeds have been duly deposited into the designated escrow account and the designated escrow account maintains sufficient cash balance as required by the relevant PRC laws and regulations; and (ii) the project companies would have sufficient working capital after deducting the amount of the advances to be made. If such conditions are met, a project company may submit a proposal for making the temporary advances, which shall set forth detailed reasons for making the advances and basis for the fulfilment of the above-mentioned conditions. The relevant regional company and our Group carefully review the proposal before granting the approval. The magnitude and frequency of the advances are subject to the availability of the surplus of funds and the pre-sale and construction progress of the relevant property development projects. Such subsidiaries are project companies established for the purpose of jointly developing projects with Independent Third Parties. When a surplus of funds became available in such project companies, pursuant to the joint development agreement entered into among us and the non-controlling shareholders, fund can be temporarily advanced to these non-controlling shareholders and us on a pro-rata basis from time to time. Such fund advanced shall be repaid by us and the non-controlling shareholders back to the project companies when the project companies have capital needs, or shall be settled when the project companies distribute the retained earnings after the relevant projects are delivered. For the repayment, similarly, the project company shall submit a proposal with quantitative analysis of its capital needs and its plan for utilizing the funds, which will be reviewed and approved by the relevant regional company and the Group. For settlement after delivery, the project company shall submit relevant documentations of the delivery, and the Group and the non-controlling shareholders will commence the settlement procedures after a detailed review of the project company's management account. We did not experience and do not expect to recoverability issues for amounts due from non-controlling shareholders of the subsidiaries aged over one year during the Track Record Period because the non-controlling shareholders were typically established property developers, which had relatively stable cash flow for the repayment or settlement of such amounts. During the Track Record Period, pursuant to the joint development agreements entered into between us and the non-controlling shareholders, the non-controlling shareholders of our non-wholly owned subsidiaries repaid such amounts timely after the relevant project companies raised requests for capital needs, or timely settled such amounts after the relevant property projects were completed and delivered. As such, our Directors are of the view that there is no recoverability issue for the amounts due from non-controlling shareholders of the subsidiaries aged over one year. Amounts due from non-controlling shareholders of the subsidiaries are non-trade nature. During the Track Record Period, we had such amounts due from non-controlling shareholders of the subsidiaries arising from the ordinary course of our business. Hence, we do not intend to settle all amounts due from non-controlling shareholders of the subsidiaries prior to the Listing and expect that such advances will be recurring in the future during the ordinary course of our business. Amounts due from non-controlling shareholders of the subsidiaries increased from nil as of December 31, 2017 to RMB1,224.3 million as of December 31, 2018, to RMB1,926.0 million as of December 31, 2019 and further to RMB2,023.2 million as of April 30, 2020, primarily due to an increase in the number of our subsidiaries and non-controlling interests.

We understand that the non-controlling shareholders of the subsidiaries generally repay such cash advances using their internally generated funds or retained earnings received from project companies after the relevant projects are delivered. During the Track Record Period and up to the Latest Practicable Date, there were no arrangement or agreement between the non-controlling shareholders and us, directly or indirectly, such that the advances we provided to the non-controlling shareholders would be used for purchases of properties developed by us, investments in us and/or our property development projects (other than those of the relevant subsidiaries held by the non-controlling shareholders), settlement of our purchases or financing our working capital. The table below sets forth an aging analysis of amounts due from non-controlling shareholders of the subsidiaries as of the dates indicated:

	As of December 31,			As of April 30,
	2017	2018	2019	2020
	(RMB'000)			
Within one year	—	1,224,304	1,286,363	890,764
Over one year and within two years	—	—	639,639	979,575
Over two years and within three years	—	—	—	152,870
Total	—	1,224,304	1,926,002	2,023,209

As of August 31, 2020, RMB655.1 million, RMB728.6 million and RMB657.2 million, respectively, of the amounts due from non-controlling shareholders of the subsidiaries as of December 31, 2018 and 2019 and April 30, 2020, had been settled.

Other Non-current Assets

Our other non-current assets represent our prepayments for equity investments in relation to four acquisitions of equity interests in third-party property development companies to expand our business or acquire land parcels. Our other non-current assets amounted to RMB1,712.6 million, RMB2,616.2 million, RMB1,402.6 million and RMB1,402.6 million as of December 31, 2017, 2018 and 2019 and April 30, 2020, respectively. See Note 25 to the Accountants' Report in Appendix I to this Prospectus. One of the acquisitions was completed in January 2018 and one was completed in March 2019. The other two acquisitions, namely, the investments in Quanzhou Yimin and Shaanxi Chuntian, had not been completed as of the Latest Practicable Date due to certain disputes. See "Business — Legal Proceedings and Compliance — Land Acquisitions and Related Disputes."

Cash and Cash Equivalents, Restricted Cash and Pledged Deposits

The table below sets forth the components of our cash and cash equivalents, restricted cash and pledged deposits as of the dates indicated:

	As of December 31,			As of April 30,
	2017	2018	2019	2020
	(RMB'000)			
Cash and bank balances	6,103,343	14,199,749	13,399,755	12,741,879
Less: Restricted cash	1,478,041	3,278,066	3,762,566	4,030,926
Pledged deposits	1,069,969	989,627	418,642	303,419
Cash and cash equivalents	**3,555,333**	**9,932,056**	**9,218,547**	**8,407,534**

Our cash and cash equivalents increased significantly by 179.4% from RMB3,555.3 million as of December 31, 2017 to RMB9,932.1 million as of December 31, 2018 primarily due to an increase in our sales proceeds and proceeds from financing activities. Our cash and cash equivalents decreased by 7.2% from RMB9,932.1 million as of December 31, 2018 to RMB9,218.5 million as of December 31, 2019, and further to RMB8,407.5 million as of April 30, 2020, primarily due to an increase in payment for land acquisition costs and construction costs.

We are required to maintain certain percentage of pre-sales proceeds to the designated regulatory account and such proceeds can be used for payment of construction costs and other costs related to the relevant projects pursuant to the relevant rules and regulations. We recorded such proceeds as restricted cash. Our restricted cash increased from RMB1,478.0 million as of December 31, 2017 to RMB3,278.1 million as of December 31, 2018, to RMB3,762.6 million as of December 31, 2019, and further to RMB4,030.9 million as of April 30, 2020, primarily attributable to an overall increase in our pre-sales proceeds.

Pledged deposits mainly consist of bank deposits pledged as security for our bank and other borrowings, purchasers' mortgage loans and bills payable. The decrease in pledged deposits from RMB1,070.0 million as of December 31, 2017 to RMB989.6 million as of December 31, 2018 was primarily because we repaid a portion of our borrowings and the amount of bank deposits that were pledged for such borrowings decreased as a result. The decrease in pledged deposits from RMB989.6 million as of December 31, 2018 to RMB418.6 million as of December 31, 2019 was primarily because we settled a portion of bills payable and the amount of bank deposits that were pledged for such bills payable decreased as a result. The decrease in pledged deposits from RMB418.6 million as of December 31, 2019 to RMB303.4 million as of April 30, 2020 was primarily because we repaid a portion of our borrowings and as a result pledge of bank deposits for such borrowings was released.

Trade and Bills Payables

Trade and bills payables primarily represent payables to third-party suppliers and contractors. Our trade and bills payables increased from RMB4,404.6 million as of December 31, 2017 to RMB6,083.8 million as of December 31, 2018, to RMB8,401.6 million as of December 31, 2019, primarily due to an increase in the number of projects that were constructed. Our trade and bills payables decreased from RMB8,401.6 million as of December 31, 2019 to RMB7,618.7 million as of April 30, 2020, primarily because we settled a portion of our trade and bill payables incurred in 2019 before the Chinese New Year of 2020.

The table below sets forth an ageing analysis of our trade and bills payables based on the invoice date as of the dates indicated:

	As of December 31,			As of April 30,
	2017	2018	2019	2020
	(RMB'000)			
Less than one year	3,789,508	5,532,974	7,936,020	7,179,118
Over one year	615,052	550,778	465,553	439,556
Total	4,404,560	6,083,752	8,401,573	7,618,674

Our trade and bills payables turnover days were 208.6 days, 171.7 days, 130.2 days and 453.4 days, respectively, in 2017, 2018 and 2019 and the four months ended April 30, 2020. Our trade and bills payables turnover days are calculated by dividing the average of trade and bills payables at the beginning and the end of relevant period by cost of sales and multiplying the resulting value by number of days in relevant period. The fluctuations in our trade and bills payables turnover days during the Track Record Period were primarily due to fluctuations in our cost of sales in line with our business operations. Specifically, there is a timing difference among the costs incurred during property development, the payment schedule to our suppliers and contractors, and construction costs charged to the profit or loss. We recorded construction costs incurred for property development as properties under development for sale and the relevant payables to our suppliers as trade and bills payables. Construction costs incurred for property development will be recognized as the cost of sales in our consolidated statements of profit or loss and other comprehensive income when we recognize revenue from sales of properties. The timing of such delivery may affect the amount of our cost of sales recognized. As a result of the foregoing, our trade and bills payables turnover days are different from period to period. Our trade and bills payables turnover days were relatively long during the four months ended April 30, 2020 because the recognized cost of sales during the same period was relatively lower.

As of August 31, 2020, approximately RMB3,334.5 million, representing 43.8% of our trade and bills payables as of April 30, 2020, was settled. Our Directors confirm that we did not have material default on payment of trade and bills payables during the Track Record Period and up to the Latest Practicable Date.

Other Payables and Accruals

The table below sets forth the components of our other payables and accruals as of the dates indicated:

	As of December 31,			As of April 30,
	2017	2018	2019	2020
	(RMB'000)			
Outstanding payables arising from the acquisition of equity interests	724,617	962,781	486,492	205,219
Amounts due to non-controlling shareholders of subsidiaries	662,425	1,197,027	1,274,563	1,360,129
Deposits	376,271	597,933	569,790	528,916
Payroll and welfare payable	205,384	279,743	263,144	132,999
Retention deposits related to construction	127,167	100,883	120,950	104,899
Interest payable	85,252	101,749	169,295	191,336
Other tax and surcharges	73,768	257,166	138,828	64,498
Accrued expenses	51,068	110,660	145,032	140,824
Others[1]	109,968	131,844	132,555	166,265
Total	2,415,920	3,739,786	3,300,649	2,895,085

Note:

(1) Others mainly include (i) payable contributions to social insurance fund and housing provident fund; and (ii) certain utility fees.

Our outstanding payables arising from the acquisition of equity interests increased from RMB724.6 million as of December 31, 2017 to RMB962.8 million as of December 31, 2018, primarily due to our acquisitions of a project in Shaanxi Province and a project in Hunan Province in 2018 to support our business growth. Our outstanding acquisitions consideration subsequently decreased to RMB486.5 million as of December 31, 2019, primarily due to settlement of a portion of outstanding acquisition consideration in connection with projects acquired in 2018. Our outstanding acquisitions consideration subsequently decreased to RMB205.2 million as of April 30, 2020, primarily due to our further settlement of the outstanding acquisition consideration of projects acquired earlier.

Amounts due to non-controlling shareholders of subsidiaries mainly represent advances made by non-controlling shareholders to the relevant subsidiaries from time to time to support project development, which will be gradually settled by the distributions of cash surplus to the non-controlling shareholders. Amounts due to non-controlling shareholders of subsidiaries are non-trade nature. During the Track Record Period, we had such amounts due to non-controlling shareholders of the subsidiaries arising from the ordinary course of our business. Hence, we do not intend to settle all amounts due to non-controlling shareholders of subsidiaries prior to the Listing and expect that such advances will be recurring in the future during the ordinary course of our business. Amounts due to non-controlling shareholders of subsidiaries increased during the Track Record Period primarily due to the increases in the number of our subsidiaries and non-controlling interests during the Track Record Period. As of August 31, 2020, approximately RMB191.0 million, representing 14.0% of amounts due to non-controlling shareholders of subsidiaries as of April 30, 2020, were subsequently paid.

Deposits mainly represent deposits from tenants for property leasing and property management and deposits from potential contractors for participating in tenders for our property projects. Deposits increased from RMB376.3 million as of December 31, 2017 to RMB598.0 million as of December 31, 2018 mainly because an increase in deposits from tenants for property leasing as one of our investment properties commenced operation in June 2018. Deposits amounted to RMB528.9 million as of April 30, 2020.

Payroll and welfare payables represent salaries and bonuses payable to our employees. Our payroll and welfare payables generally remained stable as of December 31, 2017, 2018 and 2019. Our payroll and welfare payables decreased from RMB263.1 million as of December 31, 2019 to RMB133.0 million as of April 30, 2020 primarily because we paid the year-end bonus for 2019 to our employees during the four months ended April 30, 2020.

Retention deposits related to construction mainly represent quality warranty deposits we retained from our construction contractors. We generally settle up to around 95% of the total contract price upon completion of the construction, and retain the remaining portion as quality warranty deposits. Our retention deposits related to construction decreased from RMB127.2 million as of December 31, 2017 to RMB100.9 million as of December 31, 2018 mainly because of the return of quality warrant deposits for a project in Fuzhou as a result of the expiry of its quality warranty period. Our retention deposits related to construction subsequently increased to RMB121.0 million as of December 31, 2019, which was in line with the increase in the number of our completed projects. Our retention deposits related to construction subsequently decreased to RMB104.9 million as of April 30, 2020, primarily due to the return of quality warrant deposits for certain projects as a result of the expiry of their respective quality warranty periods.

Our other taxes and surcharges mainly related to value added taxes, land use right tax and other surcharges. Our other taxes and surcharges increased from RMB73.8 million as of December 31, 2017 to RMB257.2 million as of December 31, 2018, primarily due to (i) an increase in the value-added tax payables, resulting from the delivery of a project in Jiangsu Province and a project in Fujian Province in 2018; and (ii) the increase in our property sales. Our taxes and surcharges subsequently decreased to RMB138.8 million as of December 31, 2019 as we paid part of our other taxes and surcharges in 2019. Our other taxes and surcharges subsequently decreased to RMB64.5 million as of April 30, 2020, primarily because we paid part of our other taxes and surcharges in the four months ended April 30, 2020.

Our Directors confirm that we did not have material default on payment of other payables and accruals during the Track Record Period and up to the Latest Practicable Date.

Contract Liabilities

We receive payments from customers on billing schedule as set forth in the pre-sales/sales contracts. Payments are usually received before the delivery of properties and we record such payments as contract liabilities until we recognize these payments as revenue. Our contract liabilities increased from RMB24,602.2 million as of December 31, 2017 to RMB41,935.0 million as of December 31, 2018, to RMB56,685.1 million as of as of December 31, 2019, and further to RMB62,074.7 million as of April 30, 2020 primarily attributable to increases in our pre-sales proceed.

The table below sets forth the transaction price allocated to the remaining performance obligations, unsatisfied or partially unsatisfied, related to the sales of properties, as of the dates indicated:

	As of December 31,			As of April 30,
	2017	2018	2019	2020
	(RMB'000)			
Expected to be satisfied within one year	14,456,754	21,994,146	33,250,619	34,134,894
Expected to be satisfied after one year	14,847,077	26,206,052	33,207,634	34,934,086
Total	29,303,831	48,200,198	66,458,253	69,068,980

As of August 31, 2020, RMB8,199.4 million, representing 13.2% of our contract liabilities as of April 30, 2020, was settled.

Investment in Joint Ventures and Associates

We established joint ventures and associates for the development of residential and commercial properties. We also established a joint venture for the construction and future operation of a hotel in Fuqing. As of December 31, 2017, 2018 and 2019 and the four months ended April 30, 2020, our investments in joint ventures were RMB2,337.6 million, RMB1,205.1 million, RMB1,736.7 million and RMB1,504.3 million, respectively. As of December 31, 2017, 2018 and 2019 and April 30, 2020, our investments in associates were RMB821.6 million, RMB1,892.8 million, RMB2,342.0 million and RMB2,356.7 million, respectively. We prepared profit forecast for such projects by joint ventures and associates, and closely monitored their development status. Our Directors are of the view that the joint ventures and associates operated in line with their business plans, and therefore, no impairment provision was necessary as of December 31, 2017, 2018 and 2019 and April 30, 2020.

LIQUIDITY AND CAPITAL RESOURCES

Source of Liquidity

We operate in a capital-intensive industry and property development requires substantial capital investments for land acquisition and construction. To date, we have funded our operations, working capital, capital expenditure and other capital requirements primarily from cash generated from our operations, mainly including proceeds from the pre-sales and sales of properties, receipt of rental income, income generated from our investment properties, as well as bank loans and other borrowings, such as corporate bonds, trust financing, ABS and senior notes. Our financing methods vary from project to project and are subject to limitations imposed by PRC regulations and monetary policies.

As of December 31, 2017, 2018 and 2019 and the four months ended April 30, 2020, we had cash and cash equivalents of RMB3,555.3 million, RMB9,932.1 million, RMB9,218.5 million and RMB8,407.5 million, respectively, which primarily consisted of cash at bank and in hand.

Net Current Assets

The table below sets forth a breakdown of our net current assets as of the dates indicated:

	As of December 31,			As of April 30,	As of August 31,
	2017	2018	2019	2020	2020
			(RMB'000)		
					(Unaudited)
Current assets					
Properties under development	44,645,814	66,993,973	86,103,704	94,264,396	108,413,928
Completed properties held for sale	4,687,880	5,504,494	8,884,710	11,009,463	7,229,205
Trade receivables	103,607	144,710	25,360	22,858	29,373
Contract costs assets	221,228	330,480	481,756	617,497	716,425
Due from related companies	7,569,098	6,892,735	7,815,085	8,260,533	6,534,564
Prepayments and other receivables	7,573,969	6,364,089	12,243,759	9,268,135	13,423,054
Tax recoverable	340,936	583,799	685,978	806,728	1,176,863
Financial assets at fair value through profit or loss	12,033	1,217,190	5,739	3,775	2,746
Restricted cash	1,478,041	3,278,066	3,762,566	4,030,926	6,761,785
Pledged deposits	1,069,969	989,627	418,642	303,419	351,281
Cash and cash equivalents	3,555,333	9,932,056	9,218,547	8,407,534	6,864,436
Total current assets	**71,257,908**	**102,231,219**	**129,645,846**	**136,995,264**	**151,503,660**
Current liabilities					
Trade and bills payables	4,404,560	6,083,752	8,401,573	7,618,674	9,226,737
Other payables and accruals	2,415,920	3,739,786	3,300,649	2,895,085	3,382,603
Contract liabilities	24,602,223	41,935,011	56,685,129	62,074,715	71,383,557
Due to related companies	3,062,905	2,883,813	4,911,899	4,414,264	3,601,965
Interest-bearing bank and other borrowings	8,586,825	15,117,163	13,979,311	14,571,180	9,894,077
Corporate bonds	4,159,379	8,042,163	4,035,868	5,875,870	7,952,393
Tax payable	1,545,450	2,466,616	2,763,367	2,689,250	2,356,068
Senior notes	—	—	34,154	168,488	125,214
Proceeds from asset-backed securities within one year	88,429	193,077	1,156,041	376,947	191,579
Lease liabilities within one year	14,014	17,953	20,380	18,322	13,995
Total current liabilities	**48,879,705**	**80,479,334**	**95,288,371**	**100,702,795**	**108,128,188**
Net current assets	**22,378,203**	**21,751,885**	**34,357,475**	**36,292,469**	**43,375,472**

Our net current assets decreased from RMB22,378.2 million as of December 31, 2017 to RMB21,751.9 million as of December 31, 2018, primarily due to (i) an increase in contract liabilities as a result of increased property sales during the same period; (ii) an increase in interest-bearing bank and other borrowings as well as corporate bonds, which was in line with our increased financing needs due to our business expansion; and (iii) an increase in trade and bills payables due to our business expansion. These increases were partially offset by (i) an increase in properties under development attributable to our business expansion; (ii) an increase in cash and cash equivalents attributable to increases in our property sales and proceeds from financing activities; (iii) an increase in restricted cash attributable to an increase in our pre-sales proceed; (iv) an increase in financial assets at fair value through profit or loss attributable to an increase in the wealth management products we held; and (v) an increase in completed properties held for sale attributable to an increase in the number of our completed properties.

Our net current assets increased from RMB21,751.9 million as of December 31, 2018 to RMB34,357.5 million as of December 31, 2019, primarily due to (i) an increase in properties under development attributable to our business expansion; (ii) an increase in prepayments and other receivables attributable to an increase in the number of newly-acquired land parcels in 2019; and (iii) an increase in completed properties held for sale attributable to an increase in the number of our completed properties. These increases were partially offset by (i) an increase in contract liabilities as a result of increased property sales during the same period; (ii) an increase in trade and bills payables due to our business expansion; and (iii) an increase in amounts due to related parties primarily attributable to an increase in net proceeds from related parties to us.

Our net current assets increased from RMB34,357.5 million as of December 31, 2019 to RMB36,292.5 million as of April 30, 2020 primarily due to (i) an increase in properties under development attributable to our business expansion; (ii) an increase in completed properties held for sale attributable to an increase in the number of our completed properties; and (iii) an increase in restricted cash due to an increase in pre-sales of properties. Such increases were partially offset by (i) an increase in contract liabilities as a result of increased property sales; and (ii) an increase in interest-bearing bank and other borrowings due to our increased financing needs.

Our net current assets increased from RMB36,292.5 million as of April 30, 2020 to RMB43,375.5 million as of August 31, 2020 primarily due to (i) an increase in properties under development attributable to our business expansion; (ii) an increase in prepayments and other receivables attributable to an increase in the number of newly-acquired land parcels after April 30, 2020 and up to August 31, 2020; (iii) an increase in restricted cash which was in line with the increased in our contracted sales in this period; and (iv) a decrease in interest-bearing bank and other borrowings as we repaid part of our borrowings in this period, which were partially offset by (i) an increase in contract liabilities as a result of increased property sales; and (ii) a decrease in completed properties held for sale as we delivered certain properties in this period.

Cash Flow Analysis

The table below sets forth a summary of our cash flows for the periods indicated:

	Year ended December 31,			Four months ended April 30,	
	2017	2018	2019	2019	2020
	(RMB'000)				
				(Unaudited)	
Operating cash flows before movements in working capital	2,938,888	3,807,998	4,478,131	904,873	298,575
Total adjustment from changes in working capital	(9,663,645)	(847,009)	(7,987,200)	(1,406,378)	(2,122,764)
Interest received	268,686	213,893	100,431	27,929	21,174
Tax paid	(1,300,086)	(1,740,494)	(2,288,415)	(814,778)	(552,113)
Net cash flows (used in)/from operating activities	(7,756,157)	1,434,388	(5,697,053)	(1,288,354)	(2,355,128)
Net cash flows used in investing activities	(6,675,183)	(1,545,150)	(537,264)	(604,032)	(169,206)
Net cash flows from/(used in) financing activities	13,191,499	6,487,485	5,520,808	(1,024,183)	1,713,321
Net (decrease)/increase in cash and cash equivalents	(1,239,841)	6,376,723	(713,509)	(2,916,569)	(811,013)
Cash and cash equivalents at the beginning of the year/period	4,795,174	3,555,333	9,932,056	9,932,056	9,218,547
Cash and cash equivalents at the end of the year/period	3,555,333	9,932,056	9,218,547	7,015,487	8,407,534

Net Cash (Used in)/from Operating Activities

Our cash used in operating activities principally comprises payments made in relation to our property development and sales and land acquisitions. Our cash from operating activities principally comprises proceeds received from sales of properties, including pre-sales of our properties under development.

For the four months ended April 30, 2020, our net cash used in operating activities was RMB2,355.1 million, which was the result of cash used in operations of RMB1,824.2 million, interest received of RMB21.2 million and tax paid of RMB552.1 million. Our cash used in operations of RMB1,824.2 million primarily reflected (i) profit before income tax of RMB350.1 million; (ii) negative total adjustment before movements in working capital of RMB51.6 million, which primarily reflected RMB101.1 million negative adjustment for fair value gains on investment properties and RMB71.4 million negative adjustment for share of profits and losses of joint ventures, as partially offset by RMB98.5 million positive adjustment for finance costs and a RMB19.3 million positive adjustment for share of profits and losses of associates; and (iii) negative total adjustment in working capital of RMB2,122.8 million, primarily reflected RMB8,851.7 million increase in properties under development and completed properties held for sale and RMB2,974.8 million decrease in prepayments and other receivables, as partially offset by RMB5,284.9 million increase in contract liabilities and RMB782.9 million decrease in trade and bills payables.

In 2019, our net cash used in operating activities was RMB5,697.1 million, which was the result of cash used in operations of RMB3,509.1 million, interest received of RMB100.4 million and tax paid of RMB2,288.4 million. Our cash used in operations of RMB3,509.1 million primarily reflected (i) profit before income tax of RMB4,568.8 million; (ii) negative total adjustment before movements in working capital of RMB90.7 million, which primarily reflected RMB510.2 million negative adjustment for share of profits of joint ventures and RMB480.9 million negative adjustment for fair value gains on investment properties, as partially offset by RMB494.9 million positive adjustment for finance costs and a RMB265.3 million positive adjustment for impairment losses recognized for completed properties held for sale; and (iii) negative total adjustment in working capital of RMB7,987.2 million, primarily reflected RMB19,575.3 million increase in properties under development and completed properties held for sale and RMB9,214.9 million increase in prepayments and other receivables, as partially offset by RMB15,676.1 million increase in contract liabilities.

In 2018, our net cash from operating activities was RMB1,434.4 million, which was the result of cash generated from operations of RMB2,961.0 million, interest received of RMB213.8 million and tax paid of RMB1,740.5 million. Our cash generated from operations of RMB2,961.0 million primarily reflected (i) profit before income tax of RMB3,650.3 million; (ii) positive total adjustment before movements in working capital of RMB157.7 million, which primarily reflected a RMB571.5 million positive adjustment for finance costs, and a RMB289.7 million positive adjustment for impairment losses recognized for properties under development, as partially offset by a RMB616.5 million negative adjustment for fair value gains on investment properties; and (iii) negative total adjustment in working capital of RMB847.0 million, primarily reflected a RMB18,816.2 million increase in properties under development and completed properties held for sale and a RMB1,800.0 million increase in restricted cash, as partially offset by a RMB16,414.1 million increase in contract liabilities, a RMB1,742.2 million decrease in prepayments and other receivables and a RMB1,397.3 million increase in trade and bills payables.

In 2017, our net cash used in operating activities was RMB7,756.2 million, which was the result of cash used in operations of RMB6,724.8 million, interest received of RMB268.7 million, and tax paid of RMB1,300.1 million. Our cash used in operations of RMB6,724.8 million primarily reflected (i) profit before income tax of

RMB3,468.8 million; (ii) negative total adjustment before movements in working capital of RMB530.0 million, which primarily reflected a RMB426.7 million negative adjustment for share of profits of joint ventures and a RMB317.8 million negative adjustment for fair value gains on investment properties; and (iii) negative total adjustment in working capital of RMB9,663.6 million, primarily reflected a RMB15,130.6 million increase in properties under development and completed properties held for sale and a RMB4,654.3 million increase in prepayments and other receivables, as partially offset by a RMB10,007.9 million increase in contract liabilities.

To improve our negative operating cash flow position, we plan to improve our cash inflow associated with the sales and pre-sales of our properties by strengthening marketing efforts and further enhancing the payment collection from our customers with respect to the property sales and pre-sales. We also intend to better utilize the payment terms under the construction agreements through negotiation and the establishment of strategic relationships, in order to optimize the payment schedules for construction fees to match our proceeds collection and property sales plan. In addition, at our headquarters level, various departments will coordinate to plan and monitor our cash outflow by establishing our development and construction schedules and land acquisition plans based on the cash inflow associated with existing and planned pre-sales and sales of properties.

Net Cash (Used in)/from Investing Activities

Our cash used in investing activities principally comprises payments made in relation to advances to joint ventures and associates and other related parties, investment in joint ventures and associates, investment in investment properties, our payments for purchase of property, plant and equipment. Our cash from investing activities principally comprises receipt of advances to joint ventures and associates and other related parties, proceeds from disposal of investments in joint ventures and associates and proceeds from disposal of property, plant and equipment and financial assets at fair value through profit and loss.

For the four months ended April 30, 2020, our net cash flows used in investing activities were RMB169.2 million, primarily reflecting (i) RMB3,348.6 million advances to related parties; and (ii) investments in joint ventures and associates of RMB10.4 million, partially offset by (i) receipt of RMB2,924.8 million advances to related parties; and (ii) dividends received from joint ventures of RMB281.3 million.

In 2019, our net cash flows used in investing activities were RMB537.3 million, primarily reflecting (i) RMB11,477.7 million advances to related parties; and (ii) investments in joint ventures and associates of RMB517.9 million, partially offset by (i) receipt of RMB10,548.6 million advances to related parties; and (ii) RMB1,228.6 million proceeds from disposal of financial assets at fair value through profit or loss.

In 2018, our net cash flows used in investing activities were RMB1,545.2 million, primarily reflecting (i) RMB8,141.4 million advances to related parties; (ii) investments in joint ventures and associates of RMB1,333.4 million and (iii) acquisition of financial assets at fair value through profit or loss of RMB 1,200.3 million, partially offset by (i) receipt of RMB8,823.7 million advances to related parties; (ii) proceed of RMB748.0 million from disposal of investments in joint ventures and associates and (iii) RMB402.4 million dividends received from our joint ventures.

In 2017, our net cash flows used in investing activities were RMB6,675.2 million, primarily reflecting (i) RMB17,413.6 million advances to related parties; and (ii) investments in joint ventures and associates of RMB1,788.6 million, partially offset by (i) RMB13,197.6 million receipt of advances from related parties and (ii) RMB396.8 million proceeds from disposal of investments in joint ventures and associates.

Net Cash from Financing Activities

Cash from financing activities principally comprises proceeds from interest-bearing bank and other borrowings, proceeds from corporate bonds, ABS and senior notes, and advances from related companies. Cash used in financing activities principally comprises repayment of advances from related companies, repayment of interest-bearing bank and other borrowings and repayment of corporate bonds and ABS.

For the four months ended April 30, 2020, our net cash flows from financing activities were RMB1,713.3 million, primarily reflecting (i) proceeds from interest-bearing bank and other borrowings of RMB8,650.3 million; (ii) proceeds from issue of senior notes of RMB2,066.3 million; and (iii) advances from related parties of RMB1,135.9 million, partially offset by (i) repayment of interest-bearing bank and other borrowings of RMB6,381.7 million; (ii) repayment of advances from related parties of RMB1,637.0 million; and (iii) interest paid of RMB1,222.6 million.

In 2019, our net cash flows from financing activities were RMB5,520.8 million, primarily reflecting (i) proceeds from interest-bearing bank and other borrowings of RMB27,230.4 million; (ii) advances from related companies of RMB6,061.7 million; and (iii) proceeds from issue of corporate bonds of RMB3,959.5 million, partially offset by (i) repayment of interest-bearing bank and other borrowings of RMB23,111.6 million; (ii) repayment of proceeds from issue of corporate bonds of RMB4,728.1 million; (iii) repayment of advances from related parties of RMB4,033.6 million; and (iv) interest paid of RMB2,624.4 million.

In 2018, our net cash flows from financing activities were RMB6,487.5 million, primarily reflecting (i) proceeds from interest-bearing bank and other borrowings of RMB21,778.9 million; (ii) advances from related companies of RMB7,590.7 million; and (iii) proceeds from asset-backed securities of RMB4,000.2 million, partially offset by (i) repayment of interest-bearing bank and other borrowings of RMB18,456.4 million; (ii) repayment of advances from related parties of RMB7,769.8 million; and (iii) interest paid of RMB2,399.0 million.

In 2017, our net cash flows from financing activities were RMB13,191.5 million, primarily reflecting (i) proceeds from interest-bearing bank and other borrowings of RMB23,364.0 million; and (ii) advances from related companies of RMB5,730.6 million, partially offset by (i) repayment of interest-bearing bank and other borrowings of RMB9,535.6 million; (ii) repayment of advances from related parties of RMB4,832.4 million; and (iii) interest paid of RMB1,627.3 million.

Working Capital

We need working capital to service our debts when due and to pay construction costs, land acquisition costs and all applicable taxes for projects developed by our subsidiaries. In 2017, 2019 and the four months ended April 30, 2020, we recorded net operating cash outflows, primarily due to our continued increase in property development activities and strengthened land acquisition efforts. Such cash outflows may not always be completely offset by the proceeds received from our pre-sales and sales of the properties for the respective period, which we believe is consistent with our industry practice. See "— Cash Flows Analysis — Net Cash (Used in)/from Operating Activities" for detailed information.

To achieve sufficient working capital, we will continue to improve our cash inflow associated with the sales and pre-sales of our properties by strengthening marketing efforts and further enhancing the payment collection from our customers with respect to the property sales and pre-sales. We also intend to better utilize the payment terms under the construction agreements provided by our general contractors through negotiation and the establishment of strategic relationships, in order to optimize the payment schedules for construction fees to match our proceeds collection and property sales plan. In addition, at our headquarters level, various departments will coordinate to plan and monitor our cash outflow by establishing our development and construction schedules and land acquisition plans based on the cash inflow associated with existing and planned pre-sales and sales of properties and existing and planned external financing opportunities, including but not limited to the issuance of corporate bonds, asset-backed securities programs or other equity or debt offerings.

Sufficiency of Working Capital

Taking into account our current project development and sales schedules, our expected cash generated from operating activities, the estimated net proceeds from the Global Offering, our credit facilities maintained with banks, and additional financial resources available to us, together with our expected cash outflow in the near future, which are mainly driven by the increase in the number of our existing property development projects entering into development stage and the unpaid land premiums, our Directors are of the opinion that we will have available sufficient working capital for our present requirements for at least the 12 months following the date of this Prospectus.

Capital Expenditures

Our capital expenditure during the Track Record Period primarily represented expenditures incurred relating to purchase of property, plant and equipment and acquisition of intangible assets. In 2017, 2018 and 2019 and the four months ended April 30, 2020, we incurred capital expenditures of RMB86.5 million, RMB33.5 million, RMB47.1 million and RMB7.1 million, respectively.

Our Directors estimate that our capital expenditure for 2020 and 2021 will be approximately RMB31.6 million. Such estimates represent the total capital expenditure we expect to incur based on our existing business plans. We may adjust our business plans and the estimate total capital expenditure may also change.

COMMITMENTS AND CONTINGENT LIABILITIES

Capital Commitments

The table below sets forth our capital commitments as of the dates indicated:

	As of December 31,			As of April 30,
	2017	2018	2019	2020
	(RMB'000)			
Contracted, but not provided for:				
Property development activities	12,752,516	15,298,075	23,806,693	26,926,149
Acquisition of land use rights	3,277,365	1,962,238	2,611,510	2,491,960
Capital contribution for acquisition of equity interests	3,298,156	2,274,644	2,274,644	2,274,644
Capital contribution payable to joint ventures and associates	587,004	448,853	733,554	733,554
Total	19,915,041	19,983,810	29,426,401	32,426,307

Operating Lease Commitments

We lease our investment properties under operating lease arrangements with leases negotiated from terms ranging from one to five years. Our future aggregate minimum lease payments receivable under non-cancellable operating leases as of the dates indicated are set forth below:

	As of December 31,			As of April 30,
	2017	2018	2019	2020
	(RMB'000)			
As a lessor:				
Within one year	267,388	314,492	415,328	330,044
Between one and two years	238,766	289,314	279,154	223,511
Between two and three years	199,362	174,811	232,987	155,711
Between three and four years	94,639	123,976	164,437	105,593
Between four and five years	42,279	93,847	119,570	85,528
Over five years	129,476	250,799	180,599	179,385
Total	971,910	1,247,239	1,392,075	1,079,772

Contingent Liabilities

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

We also provided guarantees to banks and other institutions in connection with financial facilities granted to our joint ventures and associates.

The following table set forth our total mortgage guarantees as of the dates indicated:

	As of December 31,			As of April 30,
	2017	2018	2019	2020
	(RMB'000)			
Guarantees given to banks in connection with facilities granted to purchasers of our properties	22,496,954	20,188,917	29,957,604	30,371,103
Guarantees given to banks in connection with facilities granted to related parties and third parties	9,191,794	12,618,514	8,659,883[(1)]	7,047,313[(2)]
Total	31,688,748	32,807,431	38,617,487	37,418,416

Notes:

(1) Includes corporate guarantee for Lianyungang Tianjun's borrowings of RMB660.0 million. We expect to release such guarantee prior to the Listing.

(2) Includes corporate guarantee for Lianyungang Tianjun's borrowings of RMB200.0 million. We expect to release such guarantee prior to the Listing.

Except as disclosed herein and apart from intra-group liabilities, we did not have any outstanding loan capital, bank overdrafts and liabilities under acceptances or other similar indebtedness, debentures, mortgages, charges or loans, or acceptance credits or hire purchase commitments, guarantees or other material contingent liabilities or any covenant in connection therewith as of August 31, 2020, being the latest practicable date for the purpose of the indebtedness statement. Our Directors have confirmed that there had not been any material change in the indebtedness, capital commitments and contingent liabilities of our Group up to the latest practicable date for the purpose of the indebtedness statement.

Legal Contingents

We are involved in lawsuits and other proceedings in the ordinary course of business. For example, we are involved in a pending arbitration and had made a provision of RMB50.0 million in 2019 for this pending arbitration. We believe that no liabilities resulting from these proceedings will have a material adverse effect on our business, financial condition or operating results. See "Business — Legal Proceedings and Compliance."

OFF-BALANCE SHEET ARRANGEMENTS

Except for the contingent liabilities disclosed in "— Liquidity and Capital Resources — Contingent Liabilities" above, we have not entered into any off-balance sheet arrangements or commitments to guarantee the payment obligations of any third parties and related parties. We do not have any variable interest in any unconsolidated entity that provides financing, liquidity, market risk or credit support to us or engage in leasing or hedging or research and development services with us.

INDEBTEDNESS

The table below sets forth the components of our borrowings and lease liabilities as of the dates indicated:

	As of December 31,			As of April 30,	As of August 31,
	2017	2018	2019	2020	2020
			(RMB'000)		
					(Unaudited)
Current					
Bank loans — secured	—	100,000	8,000	—	—
Other loans — secured	3,166,405	2,760,420	4,219,500	4,441,067	731,000
Other loans — unsecured	—	—	818,192	363,310	—
Current portion of long term bank loans — secured	1,580,730	2,671,493	3,885,829	4,282,291	4,585,187
Current portion of other loans — secured	3,839,690	9,585,250	5,047,790	5,484,512	4,577,890
Corporate bonds	4,159,379	8,042,163	4,035,868	5,875,870	7,952,393
Senior notes	—	—	34,154	168,488	125,214
Proceeds from asset-backed securitizations within one year	88,429	193,077	1,156,041	376,947	191,579
Lease liabilities within one year	14,014	17,953	20,380	18,322	13,995
Total current	**12,848,647**	**23,370,356**	**19,225,754**	**21,010,807**	**18,177,258**
Non-current					
Bank loans — secured	5,126,040	8,355,547	13,307,054	15,881,892	20,597,999
Other loans — secured	12,047,468	5,812,300	6,159,200	5,401,100	5,884,170
Corporate bonds	3,586,950	1,396,675	5,266,794	3,121,395	2,269,055
Senior notes	—	—	1,706,044	3,812,267	5,412,275
Proceeds from asset-backed securitizations	431,786	4,250,876	3,426,599	3,376,912	3,356,320
Lease liabilities	20,225	18,696	12,231	7,145	4,524
Total non-current	**21,212,469**	**19,834,094**	**29,877,922**	**31,600,711**	**37,524,343**
Total borrowings and lease liabilities	**34,061,116**	**43,204,450**	**49,103,676**	**52,611,518**	**55,701,601**

Our total lease liabilities were RMB34.2 million, RMB36.6 million, RMB32.6 million, RMB25.5 million and RMB18.5 million as of December 31, 2017, 2018 and 2019, and April 30, 2020 and August 31, 2020 in accordance with the adoption of IFRS 16. Our other unsecured loans represented amounts due to Lianyungang Tianjun, which represent the funds we received from Lianyungang Tianjun before its disposal in July 2019. Lianyungang Tianjun was our indirect wholly-owned subsidiary before the disposal, and we received funds from Lianyungang Tianjun and provided guarantee with respect to its indebtedness as we conduct centralized fund management and allocation. Such loans were fully repaid as of August 31, 2020. Our total borrowings increased from RMB34,026.9 million as of December 31, 2017 to RMB43,167.8 million as of December 31, 2018, and further increased to RMB49,071.1 million as of December 31, 2019, RMB52,586.1 million as of April 30, 2020 and RMB55,683.1 million as of August 31, 2020, primarily because of our increased financial needs in line with our business expansion.

The weighted average interest rates for our bank and other borrowings, senior notes, corporate bonds and ABS, which represent the actual borrowing costs incurred for these loans during the year or period divided by the weighted average borrowings that were outstanding as of December 31, 2017, 2018 and 2019 and April 30, 2020 were 7.25%, 7.65%, 7.76% and 7.99%, respectively.

Our borrowings may be secured by our asset portfolio which includes property, plant and equipment, investment properties, properties under development, completed properties held for sale and pledged deposits. Moreover, one of our Controlling Shareholders has guaranteed certain of our borrowings up to RMB600.0 million, RMB307.5 million and RMB669.0 million as of December 31, 2017, 2018 and 2019, respectively. Our Directors confirm that all of such guarantees had been fully released in April 2020.

We are subject to certain customary restrictive covenants under our credit facilities with commercial banks. For example, certain of our subsidiaries are prohibited from merger, restructuring, spin-off, material asset transfer, liquidation, change of control, reduction of registered capital, change of scope of business, declaration of dividends and incurring further indebtedness without the prior consent of the relevant banks. Certain of our banking facilities also contain cross-default provisions. We are also subject to certain customary restrictive covenant under the corporate bonds and ABS. For example, we are prohibited from merger, spin-off, liquidation, incurring other significant indebtedness, reduction of registered capital, material change of scope of business and sale, pledge, mortgage or transfer of material assets or underlying assets without the prior consent of or notification to the relevant managers or trustees. Certain of our corporate bonds also contain cross-default provisions. See "Risk Factors — Risks Relating to Our Business — We are subject to certain restrictive covenants in and risks associated with our bank borrowings, senior notes, trust financing and other borrowings." However, our Directors do not expect that such covenants would materially restrict our overall ability to undertake additional debt or equity financing necessary to carry out our current business plans. Our Directors confirm that they were not aware of any breach of any of the covenants contained in our banking and other loan facilities constituting any event of default during the Track Record Period and up to the Latest Practicable Date, nor were they aware of any restrictions that will limit our ability to drawdown on our unutilized facilities. Our Directors further confirm that during the Track Record Period and up to the Latest Practicable Date, we did not have material default on our borrowings, and we did not experience any material difficulties in obtaining banking facilities. We have sufficient capital to meet our obligations under various bank and other loan facilities, and we do not expect to have any foreseeable difficulties in fulfilling the covenants under our bank and other loan facilities.

Certain of our bank borrowings, trust and other financing arrangements were contractually designated for specific construction and property development projects. The following table sets forth the number and amount of such bank borrowings, trust and other financing arrangements as of the dates indicated:

	As of December 31,							
	2017		2018		2019		As of April 30, 2020	
	Number	RMB'000	Number	RMB'000	Number	RMB'000	Number	RMB'000
Bank borrowings	16	5,540,770	31	9,558,674	50	16,274,516	58	19,355,887
Trust financing arrangements	26	13,994,183	23	15,352,120	23	10,347,090	25	9,895,790
Other financing arrangements	1	1,500,000	—	—	—	—	—	—
Total	43	21,034,953	54	24,910,794	73	26,621,606	83	29,251,677

During the Track Record Period, all of the funds from these bank borrowings, trust and other financing arrangements were properly applied as designated. We, together with our lenders, take the following measures to ensure that the funds from these bank borrowings, trust and other financing arrangements are properly applied as designated during the Track Record Period and going forward: (i) we, as the borrower, have internal policies in place, requesting any use of the funds to go through our internal payment procedures. Specially, (a) a project company's general manager or head of the finance department reviews the relevant budgets and payment applications, and approves and authorizes the payments in accordance with the relevant contract terms that specify the designated use of the funds, and (b) the regional companies and our financial management center at the group level supervise the project companies' implementation of the internal payment procedures; and (ii) the relevant financing agreements typically provide for supervision mechanisms for the lenders to supervise the respective project company's use of the proceeds. Under such supervision mechanisms, the project companies shall provide materials and documents which demonstrate that the proceeds are used as designated under the relevant financing agreements.

Bank and Other Borrowings

As of December 31, 2017, 2018 and 2019, and April 30, 2020 and August 31, 2020, our bank and other borrowings were repayable as follows:

	As of December 31,			As of April 30,	As of August 31,
	2017	**2018**	**2019**	**2020**	**2020**
			(RMB'000)		
					(Unaudited)
Bank loans repayable:					
Within one year	1,580,730	2,771,493	3,893,829	4,282,291	4,585,187
Between one and two years	1,490,000	2,137,480	4,569,985	9,531,399	6,513,499
Between two and five years	3,636,040	6,218,067	8,737,069	6,350,493	13,955,500
More than five years	—	—	—	—	129,000
	6,706,770	11,127,040	17,200,883	20,164,183	25,183,186
Other borrowings repayable:					
Within one year	7,006,095	12,345,670	10,085,482	10,288,889	5,308,890
Between one and two years	12,047,468	5,812,300	5,192,000	4,810,700	4,640,970
Between two and five years	—	—	967,200	590,400	1,243,200
	19,053,563	18,157,970	16,244,682	15,689,989	11,193,060
Total bank and other borrowings	**25,760,333**	**29,285,010**	**33,445,565**	**35,854,172**	**36,376,246**

As of August 31, 2020, we had approximately RMB83,326.3 million approved unutilized credit facilities. Our approved unutilized credit facilities are covered by legally binding and enforceable loan agreements which we have entered into with banks and other financial institutions. Our Directors have confirmed that, other than the Global Offering, we do not currently have any concrete and material external financing plans outside our ordinary course of business. We do not anticipate any changes to the availability of bank financing to finance our operations in the future, although there is no assurance that we will be able to access bank financing on favorable terms.

Trust and Other Financing Arrangements

Trust Financing

As with many other property developers in the PRC, we also enter into financing arrangements with trust companies, asset management companies and their financing vehicles, as well as other financial partners in the ordinary course of business to finance our property development and other related operations. Compared with bank borrowings, such financing arrangements usually offer greater flexibility in terms of availability, approval schedule and repayment requirements, which constitute an effective alternative source of funding for some of our project developments, particularly during the tightened banking credit environments. Our trust financing outstanding amounted to RMB15,235.2 million and RMB11,193.1 million as of April 30, 2020 and August 31, 2020, respectively. For additional information as to the relevant laws and regulations applicable to trust financing arrangements, see "Regulatory Overview — VII. Regulations on Real Estate Financing — (ii) Trust Financing."

The table below sets forth our outstanding trust financing arrangements with trust companies, asset management companies and their financing vehicles as of the dates indicated:

Item	Financial institution	Annual interest rate	Effective date/First drawdown date	Maturity date	Collaterals/ Transfer	Veto rights of financial institution	Principal balance as of April 30, 2020	Principal balance as of August 31, 2020	General category of trust financing arrangements
							(RMB'000)		
1	Financial institution A	11.50%	January 19, 2019	January 19, 2021	Pledge of land use right	N/A	983,000	982,000	Type 1
2	Financial institution B	9.50%	April 15, 2019	April 14, 2021	Pledge of land use right	N/A	180,000	180,000	Type 1
3	Financial institution C	8.74%	January 25, 2019	January 25, 2022	Pledge of property under development and land use right	N/A	387,000	382,000	Type 1
4	Financial institution D	10.60%	February 17, 2020	May 16, 2021	Pledge of land use rights	N/A	260,000	260,000	Type 1
5	Financial institution A	11.00%	March 11, 2019	April 30, 2021	Pledge of property under development and land use right	N/A	300,000	270,000	Type 2
6	Financial institution B	9.50%	May 13, 2019	May 12, 2021	Pledge of properties	N/A	200,000	180,000	Type 1
7	Financial institution A	9.70%	June 21, 2019	December 21, 2021	Pledge of 100% shares of a project company	N/A	389,000	358,000	Type 2
8	Financial institution B	9.70%	June 25, 2019	June 24, 2021	Pledge of land use right	N/A	300,000	—	Type 1
9	Financial institution E	10.50%	June 26, 2019	June 25, 2022	Pledge of land use right	N/A	400,000	380,000	Type 1
10	Financial institution F	10.50%	June 26, 2019	December 25, 2020	Pledge of property under development, land use right and 100% shares of a project company	N/A	299,990	199,990	Type 2
11	Financial institution G	10.50%	July 5, 2019	July 4, 2020	Pledge of land use right	N/A	191,200	—	Type 1
12	Financial institution H	10.30%	July 30, 2019	July 30, 2020	Pledge of properties and 100% shares of two project companies	N/A	460,000	145,800	Type 2
13	Financial institution I	9.80%	August 30, 2019	August 30, 2021	Pledge of land use right and 100% shares of a project company	N/A	580,000	—	Type 2

Item	Financial institution	Annual interest rate	Effective date/First drawdown date	Maturity date	Collaterals/ Transfer	Veto rights of financial institution	Principal balance as of April 30, 2020	Principal balance as of August 31, 2020	General category of trust financing arrangements
							(RMB'000)		
14	Financial institution J	10.80%	November 29, 2019	November 29, 2020	Pledge of property	N/A	81,000	81,000	Type 1
15	Financial institution K	10.40%	August 23, 2019	August 22, 2020	Pledge of land use right and 100% shares of a project company	N/A	285,000	—	Type 2
16	Financial institution L	10.00%	September 18, 2019	September 17, 2020	Pledge of land use right and 100% shares of a project company	N/A	1,196,400	—	Type 2
17	Financial institution K	10.40%	September 29, 2019	September 28, 2020	Pledge of land parcel and 100% shares of a project company	N/A	260,000	—	Type 2
18	Financial institution M	9.80%	November 25, 2019	November 25, 2020	Pledge of land use right and 100% shares of a project company	N/A	570,000	—	Type 2
19	Financial institution N	11.05%	October 8, 2019	October 8, 2021	Pledge of land use right	N/A	1,700,000	1,705,000	Type 1
20	Financial institution C	10.00%	December 31, 2019	June 30, 2021	Pledge of land use right and 100% shares of a project company	N/A	515,000	—	Type 2
21	Financial institution D	10.60%	December 30, 2019	March 15, 2021	Pledge of land use right	N/A	290,000	—	Type 1
22	Financial institution D	10.60%	December 20, 2019	December 20, 2020	Pledge of land use right	N/A	178,000	—	Type 1
23	Financial institution H	10.70%	December 13, 2019	December 13, 2020	Pledge of land use right, 100% shares of a project company	N/A	219,200	219,200	Type 2
24	Financial institution O	10.70%	December 30, 2019	December 30, 2021	Pledge of land use right and car parks	N/A	127,000	95,000	Type 1
25	Financial institution E	10.50%	September 26, 2019	September 25, 2022	Pledge of properties and car parks	N/A	216,000	190,200	Type 1
26	Financial institution A	11.30%	September 7, 2018	September 7, 2020	Pledge of 100% shares of a project company	N/A	1,397,000	1,397,000	Type 2
27	Financial institution F	7.03%	September 25, 2017	September 25, 2020	Pledge of property under development and land use right	N/A	800,000	—	Type 1
28	Financial institution P	10.70%	January 15, 2020	January 14, 2021	Pledge of properties	N/A	448,000	—	Type 1
29	Financial institution F	11.00%	January 22, 2020	January 21, 2022	Pledge of land use right and 100% shares of a project company	N/A	580,000	—	Type 2

Item	Financial institution	Annual interest rate	Effective date/First drawdown date	Maturity date	Collaterals/ Transfer	Veto rights of financial institution	Principal balance as of April 30, 2020	Principal balance as of August 31, 2020	General category of trust financing arrangements
							(RMB'000)		
30	Financial institution Q	11.00%	March 13, 2020	March 12, 2021	N/A	N/A	330,000	—	Type 1
31	Financial institution R	11.00%	March 26, 2020	March 26, 2022	N/A	N/A	700,000	568,970	Type 1
32	Financial institution S	10.50%	March 18, 2020	March 17, 2021	Pledge of land use right	N/A	140,000	140,000	Type 1
33	Financial institution K	10.50%	April 3, 2020	April 3, 2021	Pledge of land use right and 100% share of a project company	N/A	160,000	160,000	Type 2
34	Financial institution K	10.50%	April 30, 2020	April 30, 2021	Pledge of land use right and 100% share of a project company	N/A	112,400	125,000	Type 2
35	Financial institution A	10.50%	May 18, 2020	May 17, 2021	Pledge properties	N/A	—	210,900	Type 1
36	Financial institution R	10.90%	May 6, 2020	May 11, 2021	Pledge of land use right	N/A	—	513,000	Type 1
37	Financial Institution L	9.95%	June 30, 2020	June 22, 2022	Pledge of 100% shares of a project company and land use right	N/A	—	210,000	Type 2
38	Financial Institution L	10.00%	July 13, 2020	July 12, 2022	Pledge of 100% shares of a project company and land use right	N/A	—	1,300,000	Type 2
39	Financial Institution T	6.20%	May 28, 2020	May 28, 2023	Pledge of 100% shares of a project company and land use right	N/A	—	400,000	Type 2
40	Financial Institution B	9.70%	June 25, 2019	June 24, 2021	Pledge of land use right	N/A	—	270,000	Type 1
41	Financial Institution B	9.70%	June 18, 2019	June 17, 2021	Pledge of land use right	N/A	—	270,000	Type 1
							15,235,190	11,193,060	

The trust companies, asset management companies and their financing vehicles that we have cooperated with are reputable and well-established institutions in the PRC and are Independent Third Parties.

Our trust financing arrangements are broadly categorized into:

- Type 1 arrangements which have terms similar to bank borrowings and do not involve either a pledge or a transfer of equity interests;

- Type 2 arrangements which have similar terms as bank borrowings and involve a pledge of equity interests; or

- Type 3 arrangements which involve a transfer of equity interests to the trust financing provider or a subscription of registered capital by the financial institutions; we undertake to repurchase such equity interests at a pre-determined repurchase consideration or at a consideration calculated based on a pre-determined formula at the expiry of the terms of the respective financing arrangements.

The table below sets forth the aggregate principal balances of our trust financing borrowings by type as of the dates indicated:

	As of December 31,						As of April 30, 2020		As of August 31, 2020	
	2017		2018		2019					
	Number	RMB'000	Number	RMB'000	Number	RMB'000	Number	RMB'000	Number	RMB'000
Type 1	20	13,055,510	17	10,356,500	18	8,044,900	19	7,911,200	16	6,408,070
Type 2	8	3,979,580	9	5,107,550	13	7,161,590	15	7,323,990	11	4,784,990
Type 3	6	2,018,473	4	2,693,920	1	220,000	—	—	—	—
Total trust financing borrowings	34	19,053,563	30	18,157,970	32	15,426,490	34	15,235,190	27	11,193,060

Key Terms of Type 1 Arrangements

In Type 1 arrangements, where our equity interests are neither pledged nor transferred, the lenders typically require such financings to be secured by our properties under development, completed properties held for sale or land use rights and/or secured personally by properties of our Controlling Shareholders. They may also contain terms that prohibit our borrowing subsidiaries from entering into transactions such as merger, restructuring, spin-off, material asset transfer, liquidation, change of control, change of scope of business or incurring further indebtedness without prior consent. We retain the rights and control in respect of the daily operation and management of our project companies and borrowing subsidiaries.

Key Terms of Type 2 Arrangements

In Type 2 arrangements, the equity interests held by us, as the case may be, in the relevant companies are pledged to the lenders. The lenders do not have the right to participate in these companies' board or shareholders' meetings or have veto rights in any form. In addition, we are generally not required to obtain the prior consent from the lenders in respect of operational activities during the ordinary course of business. Since under the terms of this type of borrowing arrangement, the lenders typically can only exercise ordinary creditors' rights and do not have veto rights relating to operational matters in the ordinary course of business of those relevant companies, we believe that such arrangements will not affect the control over such companies. The pledged interests will be released upon repayment of the principal of, and any other amount due under, such trust financing.

Key Terms of Type 3 Arrangements

In Type 3 arrangements, where a portion of our equity interests in the borrowing project companies are transferred to, or subscribed by and issued to, the lenders, the legal terms are more complex. A summary of key terms is set forth below.

Board Representation

Through equity participation in the relevant project companies, the lenders are entitled to appoint a certain number of directors to the relevant boards. We retain majority board seats in all the relevant subsidiaries and therefore, we retain control over the decision-making power of such boards. During the Track Record Period, there had been no dissenting vote cast by any of the board representatives appointed by lenders in this type of arrangements.

Control over the Project Companies

During the term of the Type 3 arrangements, we retain the right in respect of the day-to-day operation and management of our project companies and their businesses. However, under certain of our Type 3 arrangements, the lenders are entitled to designate officers to relevant subsidiaries to supervise the management of such subsidiaries, including exercising actual control of the stamps, licenses and certificates, and inspecting the construction site. Such officers also have access to the bank account, financial records and IT systems of our project companies. In addition, under such arrangements, the lenders are entitled to take over the management of our relevant subsidiary in cases where the management of our subsidiary is not competent to perform management roles. During the Track Record Period, none of the lenders in this type of arrangements actively participated or intervened in the day-to-day operations and management of any of our project companies.

Veto Right

Under each of our outstanding Type 3 arrangements as of December 31, 2019, the lender is entitled to a veto right to certain material matters relating to the relevant project company, including but not limited to the review and approval of its annual financial budget plans and development plans, any merger, investment, asset transfer or disposal, any litigation and arbitration, loan or financing, any providing pledge or guarantee matters that may materially affect the relevant trust fund's interests to recoup its fixed income return. Such veto rights were merely protective rights designed and effected to provide enhanced security to the lender in respect of our negative covenants given under the Type 3 arrangements that we may not operate our business in such a way that deviates materially from the pre-determined financial and operating policies. During the Track Record Period, none of the board representatives of such lender had exercised his/her veto rights. Accordingly, the Directors are satisfied that the risk of losing control over the borrowing subsidiaries is mitigated, and we believe that we maintain control over the borrowing subsidiaries despite such veto rights. The funds injected in our Group under Type 3 trust arrangements are treated as borrowings of our Group. See Note 31 of the Accountants' Report in Appendix I.

Repayment

The terms of our trust financing arrangements range from one year to three years. We are obliged to make the full repayment of the loans under our trust financing arrangements in order to repurchase the equity interest from the relevant lenders and discharge the pledged land use rights and/or equity interests. If we fail to satisfy our repayment obligations on time, we will be subject to penalties for any late payment based on the calculation agreed in the relevant agreements, or we will be subject to enforcement actions against the security interest we have granted and which could affect our ownership of our project companies. See "Risk Factors — Risks Relating to Our Business — We have indebtedness and may incur additional indebtedness in the future." We expect that we will satisfy our repayment obligations under our trust financing arrangements by utilizing our internal resources. During the Track Record Period, we had not defaulted on any of our repayments or other obligations in any material respect under the trust financing arrangements.

Security

As security for the performance of our project companies, we have in some cases provided guarantees, share pledges and/or fixed asset liens to the lenders.

Fixed Income Return

According to the confirmation letters issued by our lenders, under the terms of the Type 3 agreements we have entered into, the lenders do not in any circumstance enjoy any investment return other than a pre-determined fixed income return. We remain fully accountable for the profits and losses of our project companies. The lenders do not bear any risks or enjoy any benefits other than the fixed income return that was pre-determined through arm's-length negotiation. Our Directors have confirmed that the rates of fixed income return provided to the trust companies, asset management companies or other financial institutions under our Type 3 arrangements are within the range of market rates.

Financing Covenants

Our financing agreements with trust companies, asset management companies and their financing vehicles contain a number of customary affirmative and/or negative covenants. To ensure the loans for which the agreed uses are properly applied, such lenders normally stipulate certain monitoring measures in their loan agreements. For example, we are required to provide interim financial statements, property development and sales schedules to the relevant lenders upon their request. Under certain trust financing agreements, we are required to report to the relevant lenders as to the use of proceeds on a regular basis. In addition, we are subject to restrictive covenants under certain loan agreements with such lenders. For example, we are not permitted to transfer or assign our rights and obligations under the loan agreements to any third-party without the prior consent from the relevant lenders. We are prohibited from carrying out any merger, restructuring or material investment, without the written consent of the relevant lenders.

Other Financing Arrangements

From January 2016 to April 2016, Radiance Group, the holding company of all of our PRC subsidiaries, issued an aggregate principal amount of RMB3,000.0 million corporate bonds due 2021 in three tranches, which bear interest at rates ranging from 6.5% to 7.3% per annum. On May 23, 2019 and November 29, 2019, Radiance Group issued an aggregate principal amount of RMB3,130.0 million corporate bonds due 2024 in two tranches, which bear interest at a rate of 7.5% per annum. The RMB3,000.0 million corporate bonds and RMB3,130.0 million corporate bonds were listed on the Shanghai Stock Exchange.

From May 2016 to September 2016, Radiance Group issued an aggregate principal amount of RMB3,000.0 million private corporate bonds due 2019 in three tranches, which bear interest at rates ranging from 7.3% to 7.4% per annum. From April 2018 to November 2018, Radiance Group issued an aggregate principal amount of RMB3,100.0 million private corporate bonds due 2021 in three tranches, which bear interest at rates ranging from 7.4% to 7.5% per annum. On October 14, 2019, Radiance Group issued an aggregate principal amount of RMB850.0 million private corporate bonds, which bear interest at 7.5% per annum.

On November 2, 2016 and November 9, 2016, Beijing Juye, our indirect subsidiary, issued an aggregate principal amount of RMB1,500.0 million two-year debt financing plans due 2018 in two tranches, which bear interest at a rate of 5.1% per annum. These debt financing plans were fully repaid as of December 31, 2018.

In June 2020, Radiance Group issued an aggregate principal amount of RMB650.0 million corporate bonds due 2024, which bear interest at 6.95% per annum. The RMB650.0 million corporate bonds are listed on the Shanghai Stock Exchange.

In July 2020, Radiance Group issued an aggregate principal amount of RMB500.0 million private corporate bonds due 2023, which bear interest at 7.00% per annum. The RMB500.0 million private corporate bonds are listed on the Shanghai Stock Exchange.

Except for the Beijing Juye debt financing plans, all corporate bonds are unsecured. See Note 34 to the Accountants' Report in Appendix I to this Prospectus for details.

As of December 31, 2017, 2018 and 2019, and April 30, 2020 and August 31, 2020, our corporate bonds were repayable as follows:

	As of December 31,			As of April 30,	As of August 31,
	2017	2018	2019	2020	2020
			(RMB'000)		
					(Unaudited)
Repayable within one year	4,159,379	8,042,163	4,035,868	5,875,870	7,952,393
Repayable within two to four years	3,586,950	1,396,675	5,266,794	3,121,395	2,269,055
	7,746,329	9,438,838	9,302,662	8,997,265	10,221,448

On November 11, 2016, Beijing Jinhui Jinjiang, which was previously our indirect subsidiary and was disposed of in December 2019 as part of our Reorganization, issued ABS, or the 2016 ABS, in the principal amount of RMB600.0 million due 2022 in the PRC at rates ranging from 4.3% to 5.9% per annum. The 2016 ABS were backed by property management fee receivables, and had been fully repaid in November 2019. On April 26, 2018, Radiance Group issued ABS, or the 2018 ABS, in the principal amount of RMB1,200.0 million with a term of 822 days in the PRC. The 2018 ABS were backed by the outstanding balances due from purchasers of our properties. The senior tranches of the 2018 ABS were issued in the principal amount of RMB1,020.0 million at rates ranging from 7.2% to 8.2% per annum. The equity tranche of the 2018 ABS was issued in the principal amount of RMB180.0 million. On September 25, 2019, Radiance Group issued an aggregated principal amount of RMB650.0 million asset-backed securities, or the 2019 ABS, due 2021 in the PRC at rates ranging from 7.5% to 8.5% per annum, or the 2019 ABS. The 2019 ABS were backed by the outstanding balances due from purchasers of our properties.

On September 27, 2018, Beijing Juye issued commercial mortgage-backed securities in the principal amount of RMB3,200.0 million, or the 2018 CMBS. The senior tranche of the 2018 CMBS was issued in the principal amount of RMB3,000.0 million at a rate of 6.0% per annum with a term of 18 years. The equity tranche of the 2018 CMBS was issued in the principal amount of RMB200.0 million with the same term. The 2018 CMBS were backed by our 100% equity interests in Beijing Juye, income derived from the operation and management of Beijing Radiance Plaza and certain units of Beijing Radiance Plaza.

See Note 32 to the Accountants' Report in Appendix I to this Prospectus for details.

On October 31, 2019, Radiance Capital Investments issued US$250.0 million principal amount of 11.75% senior notes due 2021, or the 2021 Notes. Radiance Capital Investments is an indirect subsidiary of, and a special purpose vehicle set up for financing purposes by, Radiance Group. The 2021 Notes bear interest at the rate of 11.75% per annum, and are guaranteed by Radiance Group. On January 16, 2020, Radiance Capital Investments issued US$300.0 million principal amount of 10.5% senior notes due 2022, or the 2022 Notes. The 2022 Notes bear interest at the rate of 10.5% per annum and are guaranteed by Radiance Group. On June 17, 2020, Radiance Capital Investments issued US$250.0 million principal amount of 8.8% senior notes due 2023, or the 2023 Notes. The 2023 Notes bear interest at the rate of 8.8% per annum and are guaranteed by Radiance Group. The 2021 Notes, the 2022 Notes and the 2023 Notes are unsecured.

SUMMARY OF KEY FINANCIAL RATIOS

The following table sets forth certain of our key financial ratios as of the dates and for the periods indicated:

	As of/for the year ended December 31,			As of/for the four months ended April 30,
	2017	2018	2019	2020
Current ratio(1)	1.5	1.3	1.4	1.4
Interest coverage ratio(2)	1.5	1.2	1.2	N/A
Net gearing ratio(3)	1.9	1.7	1.7	1.8
Gearing ratio(4)	2.3	2.5	2.3	2.4
Return on total assets(5)	2.6%	1.9%	1.8%	N/A
Return on equity(6)	16.5%	14.0%	14.9%	N/A

Notes:

(1) Current ratio is calculated based on our total current assets divided by our total current liabilities as of the respective dates.

(2) Interest coverage ratio is calculated based on profit for the year before income tax expenses, adding finance costs, divided by interest on interest-bearing bank and other borrowings and lease liabilities and interest expense arising from revenue contracts which include capitalized interest for the respective year.

(3) Net gearing ratio is calculated based on total borrowings less cash and bank balances divided by total equity. Total borrowings consist of interest-bearing bank and other borrowings, senior notes, corporate bonds and ABS as of the respective dates.

(4) Gearing ratio is calculated based on total borrowings divided by total equity. Total borrowings consist of interest-bearing bank and other borrowings, senior notes, corporate bonds and ABS as of the respective dates.

(5) Return on total assets ratio is calculated based on our profit for the year divided by the total assets at the end of the year and multiplied by 100%.

(6) Return on equity ratio is calculated based on our profit for the year attributable to the owners of the parent divided by the equity attributable to owners at the end of the year and multiplied by 100%.

Current Ratio

Our current ratio remained relatively stable at 1.5, 1.3, 1.4 and 1.4 times, respectively, as of December 31, 2017, 2018 and 2019 and April 30, 2020.

Interest Coverage Ratio

Our interest coverage ratio decreased from 1.5 times in 2017 to 1.2 times in 2018, which was primarily because of the increase in interest expenses outpaced the increase in profit before finance costs and tax from 2017 to 2018. Our interest coverage ratio remained stable at 1.2 times in 2019.

Net Gearing Ratio

Our net gearing ratio decreased from 1.9 times as of December 31, 2017 to 1.7 times as of December 31, 2018, primarily attributable to an increase in our cash and bank balances attributable to our increased cash flow from pre-sales proceeds and other financing sources as well as an increase in our equity due to the accumulation of profits. Our net gearing ratio remained stable at 1.7 times and 1.8 times in 2019 and the four months ended April 30, 2020, respectively.

Gearing Ratio

Our gearing ratio increased from 2.3 times as of December 31, 2017 to 2.5 times as of December 31, 2018, primarily because the increase of our total borrowings outweighed the increase of our total equity. Our gearing ratio decreased from 2.5 times as of December 31, 2018 to 2.3 times as of December 31, 2019, primarily because the increase of our total equity outweighed the increase of our total borrowings. Our gearing ratio remained stable at 2.4 times as of April 30, 2020 as compared to 2.3 times as of December 31, 2019.

Return on Total Assets

Our return on total assets decreased from 2.6% for 2017 to 1.9% for 2018, slightly decreased to 1.8% for 2019, primarily due to an increase in our total assets in 2018 and 2019, which was primarily driven by an increase in properties under development.

Return on Equity

Our return on equity decreased from 16.5% for 2017 to 14.0% for 2018, primarily due to a decrease in profit attributable to owners from 2017 to 2018. Our return on equity then increased to 14.9% for 2019 primarily due to an increase in profit attributable to owners of the parent as partially offset by an increase in equity attributable to owners.

Financial Ratios Under the Proposed PBOC Standard

Recently, news articles on the PBOC's plans to control the scale of interest-bearing debts of property developers in China by applying a newly proposed standard in the assessment of the debt burden of property developers began to emerge. In particular, under such new standard, for a property developer, (i) the liability asset ratio (calculated as total liabilities less contract liabilities divided by total assets less contract liabilities), shall not exceed 70%; (ii) the net gearing ratio (calculated as total interest-bearing liabilities less cash and bank balances divided by total equity) shall not exceed 100%; and (iii) the ratio of cash and bank balances divided by the current portion of interest-bearing bank and other borrowings, corporate bonds, senior notes and ABS shall not be lower than 1.0. The proposed standard further stipulates that (i) for property developers which comply with all the above-mentioned three limits, their size of interest-bearing liabilities shall increase by less than 15%

annually; (ii) for property developers which only comply with two of the above-mentioned three limits, their size of interest-bearing liabilities shall increase by less than 10% annually; (iii) for property developers which only comply with one of the above-mentioned three limits, their size of interest-bearing liabilities shall increase by less than 5% annually; and (iv) for those property developers which fail to comply with any of the above-mentioned three limits, their size of interest-bearing liabilities shall not increase at all.

In August 2020, according to certain news articles, a forum was held among the MOHURD, the PBOC and certain property developers to discuss long-term mechanisms for the real estate sector in China, which indicated that relevant regulations and policies governing the external financing of property developers in China have been formed. However, as of the Latest Practicable Date, there were no official announcements regarding new regulations or rules after the forum was held. As such, the above-mentioned standard proposed by the PBOC has not come into effect. We will continue to monitor the relevant regulatory updates to ensure our compliance in this regard. As of April 30, 2020, our liability asset ratio, calculated as total liabilities less contract liabilities divided by total assets less contract liabilities, was 77.1%; our net gearing ratio was 1.8 times; and the ratio of our cash and bank balances divided by the current portion of interest-bearing bank and other borrowings, corporate bonds, senior notes and ABS was 0.61 times. As such, in the event that the above-mentioned standard mentioned in the news articles comes into effect, we may fail to comply with any of the above-mentioned three limits and the size of our interest bearing liabilities would be restricted pursuant to such standard.

Because our loans are on a revolving basis, we can incur new borrowings upon repayment of old ones without increasing the size of the aggregate interest-bearing liabilities, and as a result we believe would not be prohibited from obtaining additional financing. In addition, the three limits would not affect the use of proceeds from this Global Offering. The three limits would also not affect our ability to carry out our existing property development constructions, conduct property sales and generate cash from property sales. However, if the PBOC standard as reported in certain news articles were to become effective, and we were to be prohibited from increasing the aggregate size of interest-bearing liabilities, we may not be able to draw down on credit facilities before we repay existing debts, and may need to slow down our land acquisition activities to ensure we would have sufficient cash to complete the existing property projects. Based on the above, we expect that the PBOC standard as reported in certain news articles would hinder our business growth only if (i) such standard were to become effective on us; and (ii) our above-mentioned financial ratios remain beyond the acceptable PBOC standard as reported in the news articles in the future.

QUANTITATIVE AND QUALITATIVE ANALYSIS ABOUT MARKET RISK

We are, in the ordinary course of our business, exposed to various market risks, mainly including interest rate risk, credit risk and liquidity risk. Our exposure to these risks and the financial risk management policies and practices used by us to manage these risks are described below.

Interest Rate Risk

Our exposure to risk for changes in market interest rates relates primarily to our interest-bearing bank and other borrowings, corporate bonds, ABS and senior notes. We do not use derivative financial instruments to hedge interest rate risk. We manage our interest cost using variable rate bank borrowings and other borrowings. If the interest rate of bank and other borrowings had increased/decreased by 1% and all other variables held constant, our profit before tax, through the impact on floating rate borrowings, would have decreased/increased by approximately RMB16.4 million, RMB22.5 million, RMB22.7 million and RMB10.4 million in 2017, 2018 and 2019 and the four months ended April 30, 2020, respectively.

Credit Risk

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

Our management makes periodic collective assessments for financial assets included in prepayments and other receivables and amounts due from related companies as well as individual assessments on the recoverability of other receivables and amounts due from related companies based on historical settlement records and past experience. We constantly monitor the credit risk of our financial assets included in prepayments, deposits and other receivables and amounts due from related companies. Our Directors believe that there is no material credit risk inherent in our outstanding balance of financial assets included in prepayments and other receivables and amounts due from related companies.

Liquidity Risk

Our objective is to maintain a balance between continually of funding and flexibility through the use of interest-bearing bank and other borrowings. We review our liquidity position on an ongoing basis, including review of the expected cash inflows and outflows, pre-sales/sales results, maturity of our borrowings and the progress of the planned property development projects in order to monitor our liquidity requirements in the short and long terms. We have established an appropriate liquidity risk management measures for our liquidity management requirements to ensure that we maintain sufficient reserves of, and adequate committed lines of funding from, financial institutions to meet our liquidity requirements in the short and long term.

RELATED PARTY TRANSACTIONS

Significant Related Party Transactions

During the Track Record Period, we had the following significant transactions with related parties as set forth in Note 42 to the Accountants' Report set out in Appendix I to this Prospectus.

Our significant related party transactions during the Track Record Period primarily included transactions in connection with (i) provision of property management services to joint ventures and associates; (ii) provision of management consulting services to our joint ventures and associates; (iii) amounts due from and due to related parties; (iv) sales of properties to family members of certain directors and/or the Controlling Shareholder; (v) provision of property management services provided by companies controlled by the ultimate Controlling Shareholders; and (vi) guarantees provided to related parties.

Balances with Related Parties

	As of December 31,			As of April 30,
	2017	2018	2019	2020
	(RMB'000)			
Amounts due from related parties				
Trade related				
Joint ventures	2,002	30	641	22,849
Associates	—	7,925	530	—
Non-trade related				
Joint ventures	5,330,549	4,157,763	4,455,703	4,353,601
Associates	2,236,547	2,727,017	3,358,211	3,884,083
Total	7,569,098	6,892,735	7,815,085	8,260,533
Amounts due to related parties				
Trade related				
Family members of certain Directors and/or Controlling Shareholders	11,682	72,857	150,792	154,112
Companies controlled by the ultimate shareholder	—	—	—	3,382
Non-trade related				
Joint ventures	2,825,572	2,588,193	4,132,180	3,183,762
Associates	237,333	295,620	779,719	1,227,120
Total	3,074,587	2,956,670	5,062,691	4,568,376

Our amounts due from/(to) related parties primarily represented cash advances to/(from) such related parties which are unsecured and repayable by such related parties/(us) on demand. During the Track Record Period, an insignificant portion of the amounts due from joint ventures and associates that were of trade nature were relating to the management consulting services we provided to these entities. During the Track Record Period, amounts due from/to joint ventures and associates were mainly non-trade interest-free cash advances we made to/received from these entities in relation to the business operations of the relevant entities. In accordance with our joint venture agreement and associates agreement, we and our joint venture/associates partners provided these funds in proportion to the equity interests held and these amounts due from/to joint venture and associates will be settled from time to time, depending on the progress of construction, development and the pre-sale/sale of the jointly-developed projects, until the final settlement and distribution of the jointly-developed projects. In our ordinary course of business, we co-develop property projects by establishing joint ventures and associates with third-party property developers. In accordance with the relevant agreements between us and such third-party property developers, we provide funds to such joint ventures and associates to meet their capital needs. We also receive funds from joint ventures and associates when the relevant property projects start pre-sales and generate operating cash flows We did not experience and do not expect to experience recoverability issues for amounts due from related parties aged over one year during the Track Record Period as we were not aware of any material delay as to the construction progress for the relevant jointly developed projects. The amounts due from related parties aged over one year are expected to be settled after the relevant projects commence pre-sales and generate operating cash flow. Additionally, our management makes periodic collective assessments for amounts due from related companies as well as individual assessments on the recoverability of amounts due from related companies based on historical settlement records and past experience. As such, our Directors are of the view that there is no recoverability issue for the amounts due from related parties aged over one year. As of December 31, 2017, 2018 and 2019 and April 30, 2020, we recorded balances of non-trade amounts due from related parties of RMB7,567.1 million, RMB6,884.8 million, RMB7,813.9 million and RMB8,237.7 million, respectively.

The table below sets forth an aging analysis of amounts due from related parties as of the dates indicated:

	As of December 31,			As of April 30,
	2017	2018	2019	2020
	(RMB'000)			
Within one year	6,966,074	4,623,388	5,620,883	6,433,371
Over one year and within two years	603,024	2,269,347	1,463,011	1,121,108
Over two years and within three years	—	—	731,191	706,054
Total	7,569,098	6,892,735	7,815,085	8,260,533

As of August 31, 2020, RMB6,883.5 million, RMB5,097.4 million, RMB3,207.3 million and RMB1,762.2 million, respectively, of the amounts due from related parties as of December 31, 2017, 2018, 2019 and April 30, 2020, respectively, had been settled.

As of the same dates, we recorded balances of non-trade amounts due to related parties of RMB3,062.9 million, RMB2,883.8 million, RMB4,911.9 million and RMB4,410.9 million, respectively. Non-trade amounts due to/from related parties represented cash advances from/to joint ventures and associates. The joint developments of property projects with third-party property developers occur in the ordinary course of our business, and is one of our methods of expanding our development activities and geographical coverage. Therefore, we expect that our cash advances made to joint ventures and associates will continue after the Listing for the purpose of financing the development of our jointly-developed projects, we do not intend to settle all non-trade amounts due from/to joint ventures and associates prior to the Listing and expect that such advances will be recurring in the future during the ordinary course of our business.

Among non-trade amounts due from joint ventures and associates, RMB2,854.8 million and RMB508.0 million as of December 31, 2017 and 2018, respectively, were interest-bearing loans advanced by us to such joint ventures and associates. We had ceased to charge interest on advances made to related parties as of December 31, 2019. In 2017, 2018, 2019 and the four months ended April 30, 2020, financial income received from related parties amounted to RMB247.7 million, RMB152.6 million, RMB19.2 million and nil, respectively. Financial income from related parties primarily represents interest income from such loans to joint ventures and associates. Our PRC Legal Advisors are of the view that the interest-bearing loans advanced by us to joint ventures and associates, notwithstanding whether we charged interests on advances made to related parties, did not comply with the General Lending Provisions (《貸款通則》). According to the General Lending Provisions, only financial institutions may engage in the business of extending loans, and loans between companies that are not financial institutions are prohibited. The PBOC may impose penalties on the lender equivalent to one to five times of the income generated (being interest charged) from loan advancing activities. However, according to the Provisions of the Supreme People's Court on Several Issues concerning the Application of Law in the Trial of Private Lending Cases (《最高人民法院關於審理民間借貸案件適用法律若干問題的規定》 (2020修正)), or the Private Lending Provisions, which was issued on September 1, 2015, was amended on August 19, 2020 and became effective on August 20, 2020, lending contracts among companies are valid if they are made for the purposes of supporting production or business operations (except for the circumstances resulting in a void contract as stipulated in the Contract Law and in the Private Lending Provisions). The PRC courts will also support a company's claim for interest charged on such a loan as long as the annual interest rate does not exceed four times the loan prime rate for one-year loan published by the National Interbank Funding Center. Pursuant to the Notice of the Supreme People's Court on Conscientiously Studying, Implementing and Applying the Provisions of the Supreme People's Court on Several Issues concerning the Application of Law in the Trial of Private Lending Cases (最高人民法院關於認真學習貫徹適用《最高人民法院關於審理民間借貸案件適用法律若干問題的規定》(2020修正) 的通知) published on August 25, 2015, the Private Lending Provisions shall apply to loans entered into prior to the implementation of the Private Lending Provisions that are invalid under the former judicial interpretations but valid under the Provisions. Pursuant to the Private Lending Provisions, private lending contracts concluded between legal persons or other organizations are effective and valid under PRC law except where the contracts for the lending (i) are void under the PRC Contract Law or (ii) fall within the scope of void lending contracts as particularly provided in the Private Lending Provisions; and if the interest rate provided in a private lending contract is not more than four times the loan prime rate for one-year loan published by the National Interbank Funding Center, the PRC courts will rule that the lender is legally entitled to such interest income. In addition, under the Property Rights Law of the PRC (《物權法》), property rights holders have the right to freely direct the use of their properties (including the lending of money and funds) in accordance with the law. According to the Supreme People's Court's Reply to Reporter's Questions in relation to the Private Lending Provisions, the General Lending Provisions is a regulation, the legal hierarchy of which is lower than the Property Rights Law. As such, if the General Lending Provisions provide that a property rights holder has no right to dispose of the properties, such as extending loans using its own funds, such provisions should be considered in conflict with the Property Rights Law. Accordingly, we have the right, pursuant to the Property Rights Law, to freely direct the use of our funds and extend such advances to our related parties.

Our Directors confirm that all the advances we made to related parties during the Track Record Period were made for the purpose of such parties' normal business operations, and the interest rate we charged on such advances prior to December 31, 2019 did not exceed four times the loan prime rate for one-year loan published by the National Interbank Funding Center. As the PBOC may impose penalties on a lender equivalent to one to five times of the income generated (being interests charged) from loan advancing activities, we ceased to charge interest as of December 31, 2019 to reduce the possibility being penalized by the PBOC. As of the Latest Practicable Date, no administrative action, fine or penalty had been imposed by the PBOC on us regarding such advances. Based on the foregoing, our PRC Legal Advisors are of the view that the possibility that the PBOC would penalize us on the interest income we received is low and as such subject advances made and interest received are in compliance with the Property Rights Law and the Private Lending Provisions, and as we ceased to charge interests on advances made to related parties or receive interest from third parties, such that there is no income generated, and accordingly will not have material adverse legal consequences notwithstanding that we did not comply with the General Lending Provisions. We expect that our cash advances made to our joint ventures and associates will continue after the Listing for the purposes of financing the development of our jointly-developed projects.

In 2019, we disposed of 100% equity interest in Beijing Jinhui Jinjiang together with its subsidiaries and branches to Fuzhou Jinhui Property Management Co., Ltd. (福州金惠物業管理有限公司), a company indirectly wholly owned by our ultimate Controlling Shareholders, for a consideration of RMB27.0 million. The consideration was determined by reference to the fair value of the equity interest disposed of as of the date of disposal. See "History, Reorganization and Corporate Structure — Reorganization — Disposals of Beijing Jinhui Jinjiang and Xi'an Jinhui Square."

During the Track Record Period, we also provided guarantees for joint ventures and associates' bank and other borrowings. As of December 31, 2017, 2018 and 2019 and April 30, 2020, the guarantees we provided for joint ventures and associates amounted to RMB9,191.8 million, RMB12,618.5 million, RMB7,999.9 million and

RMB6,847.3 million, respectively. The relevant borrowings were primarily from banks to finance property development projects of these joint ventures and associates, whereby the land use rights of the joint ventures and associates were pledged to the banks and our guarantee was provided in addition to the pledges. As the fair value of the relevant land use rights pledged by the relevant joint ventures and associates are generally higher than the borrowing amounts, our credit risk exposure associated with such guarantee is contained.

Our Directors have confirmed that all business transactions with related parties were conducted on normal commercial terms and on arm's length basis and did not have a material impact on our results of operations during the Track Record Period.

DIVIDEND POLICY AND DISTRIBUTABLE RESERVES

Our Company did not declare or pay dividends during the Track Record Period. On July 2, 2020, a dividend of US$100.0 million was declared, of which US$50.0 million and US$50.0 million had been paid in July and September 2020, respectively. Going forward, we will re-evaluate our dividend policy in light of our financial position and the prevailing economic climate. However, the determination to pay dividends will be made at the discretion of our Directors, depending on our results of operations, working capital, financial position, future prospects, and capital requirements, as well as any other factors which our Directors may consider relevant.

Dividends may be paid only out of our distributable profits as permitted under the relevant laws. For example, the PRC laws and regulations also require a PRC incorporated enterprise to set aside at least 10% of its after-tax profits calculated based on PRC accounting standards each year, if any, to fund certain statutory reserves, which may not be distributed as cash dividends. In addition, distributions from our subsidiaries may be restricted as a result of any restrictive covenants in bank credit facilities or other agreements that we or our subsidiaries may enter into in the future. To the extent profits are distributed as dividends, such portion of profits may not be reinvested in our operations. There can be no assurance that we will be able to declare or distribute any dividend in the amount set forth in any plan to our Board or at all. Furthermore, distributions from our subsidiaries may be restricted if they incur debts or losses or as a result of any restrictive covenants in bank credit facilities or other agreements that we or our subsidiaries may enter into in the future. As of April 30, 2020, the retained profits attributable to the owners of the parent amounted to RMB15,404.9 million.

DISCLOSURE PURSUANT TO RULES 13.13 TO 13.19 OF THE LISTING RULES

Our Directors confirm that, as of the Latest Practicable Date, we were not aware of any circumstances that would give rise to a disclosure requirement under Rules 13.13 to 13.19 of the Listing Rules.

PROPERTY INTERESTS AND PROPERTY VALUATION

JLL, an independent property valuer, has valued our property interests as of July 31, 2020 and is of the opinion that the aggregate market value of the property in which we had an interest as of such date was RMB150,794.7 million, and the value attributable to our Group was RMB126,810.2 million. The full text of the letter, summary of valuation and valuation certificates with regard to our property interests are set out in "Appendix III — Property Valuation Report" to this Prospectus.

The statement below shows the reconciliation of aggregate amounts of certain properties reflected in the audited consolidated financial information as of April 30, 2020 as set out in "Appendix I — Accountants'

Report" to this Prospectus with the valuation of these properties as of July 31, 2020 as set out in "Appendix III — Property Valuation Report" to this Prospectus.

	(RMB'000)
Net book value of the following properties as of April 30, 2020	
— Properties under development	94,264,396
— Completed properties held for sale	11,009,463
— Investment property	10,616,700
— Prepayments for acquisition of land use rights	2,673,395
Addition:	13,228,613
Less: sales of completed properties held for sale	6,719,213
Net book value of the properties as of July 31, 2020	125,073,353
Less: properties excluding from Appendix III	1,281,577
Less: effects of VAT	5,473,760
Net valuation surplus	36,613,684
Valuation of properties of the Group as of July 31, 2020 as set out in the Property Valuation Report in Appendix III to this Prospectus	154,931,700

SUBSEQUENT EVENT

On June 17, 2020, Radiance Capital Investments, an indirect wholly owned subsidiary of Radiance Group, issued senior notes in an aggregate amount of US$250.0 million. In June 2020, Radiance Group issued an aggregate principal amount of RMB650.0 million corporate bonds due 2024, which bear interest at 6.95% per annum. See "— Indebtedness — Trust and Other Financing Arrangements — Other Financing Arrangements." In July 2020, Radiance Group issued an aggregate principal amount of RMB500.0 million private corporate bonds due 2023, which bear interest at 7.00% per annum. The RMB500.0 million private corporate bonds are listed on the Shanghai Stock Exchange.

Toward the end of 2019, the COVID-19 pandemic started to spread globally, which may affect our results of operations in 2020. See "Business — Effects of the COVID-19 Pandemic."

Except as disclosed in this "Summary — Recent Developments and No Material Adverse Change," there is no material subsequent event undertaken by our Group after April 30, 2020, being the date to which our latest consolidated audited financial results were prepared, up to the date of this Prospectus.

LISTING EXPENSES

The total amount of listing expenses that will be borne by us in connection with the Global Offering, including underwriting commissions for the International Offer Shares, is estimated to be RMB116.0 million (representing 5.5% of gross proceeds from the Global Offering, based on the mid-point of the indicative Offer Price range), of which RMB69.8 million is expected to be accounted for as a deduction from equity in accordance with the relevant accounting standard. The remaining fees and expenses of RMB46.2 million were or are expected to be charged to our consolidated statements of profit or loss, of which approximately RMB9.5 million was charged to our administrative expenses for the year ended December 31, 2019, approximately RMB7.2 million was charged to our administrative expenses for the four months ended April 30, 2020 and approximately RMB29.5 million is expected to be charged to our administrative expenses subsequent to the end of the Track Record Period. The professional fees and/or other expenses related to the preparation of the Listing subsequent to the end of the Track Record Period are currently estimates for reference only and the actual amount to be recognized is subject to adjustment based on audit and the changes in variables and assumptions. Our Directors do not expect such expenses to have a material adverse impact on our financial results for the year ending December 31, 2020.

DIRECTORS' CONFIRMATION ON NO MATERIAL ADVERSE CHANGE

Our Directors confirm that they have performed sufficient due diligence on our Company to ensure that, up to the date of this Prospectus, there has been no material adverse change on our financial or trading position since April 30, 2020 (being the date to which our Company's latest consolidated audited financial results were prepared), and there have been no events since April 30, 2020 which would materially affect the information shown in the Accountants' Report, the text of which is set out in Appendix I to this Prospectus. Though we expect delays in construction completion and property delivery and a decrease in property sales as a result of the COVID-19 pandemic, we do not expect the COVID-19 pandemic to have a material adverse effect on our results of operations for the year ending December 31, 2020. See "Summary — Recent Developments and No Material Adverse Change" and "Business — Effects of the COVID-19 Pandemic" for details.

UNAUDITED PRO FORMA ADJUSTED NET TANGIBLE ASSETS

For illustrative purposes only, the following statement of unaudited pro forma adjusted net tangible assets of our Group prepared in accordance with Rule 4.29 of the Hong Kong Listing Rules is prepared to show the effect on the audited net tangible assets of our Group as of April 30, 2020 as if the Global Offering had occurred on April 30, 2020 and is based on the consolidated net assets derived from the audited financial information of our Group as of April 30, 2020, as set out in the Accountants' Report in Appendix I to this Prospectus and adjusted as follows. The unaudited pro forma adjusted consolidated net tangible assets per Share will decrease after payment of the declared dividends of USD100 million subsequent to April 30, 2020, see "Appendix II — Unaudited Pro Forma Financial Information" to this Prospectus for details.

	Audited Consolidated Net Tangible Assets of Our Group as of April 30, 2020[(1)]	Estimated Net Proceeds from the Global Offering[(2)]	Unaudited Pro Forma Adjusted Net Tangible Assets of Our Group[(3)]	Unaudited Pro Forma Adjusted Net Tangible Assets per Share[(4)(5)]	
	(RMB'000)	(RMB'000)	(RMB'000)	RMB	HK$
Based on an Offer Price of HK$3.50 per Share	16,992,187	1,753,948	18,746,135	4.69	5.34
Based on an Offer Price of HK$4.50 per Share	16,992,187	2,265,322	19,257,509	4.81	5.47

Notes:

(1) The consolidated net tangible assets attributable to owners of our Company as of April 30, 2020 is extracted from the Accountants' Report, which is based on the audited consolidated equity attributable to owners of our Company as of April 30, 2020 of approximately RMB17,009.4 million less the Group's intangible assets as of April 30, 2020 of approximately RMB17.2 million.

(2) The estimated net proceeds from the Global Offering are based on the offer prices of HK$3.50 and HK$4.50 per share, being the low and high ends of the stated offer price range, after deduction of the underwriting fees and other related expenses payable by our Group and does not take into account any Shares which may be issued upon the exercise of the Over-allotment Option and options

which may be granted under the Share Option Scheme and may be allotted and repurchased by our Group pursuant to the general mandates granted to our Directors to issue or repurchase Shares as described in "Share Capital."

(3) No adjustment has been made to the unaudited pro forma adjusted net tangible assets to reflect any trading results or other transactions of our Group entered into subsequent to April 30, 2020.

(4) The unaudited pro forma including adjusted net tangible assets per Share are arrived at after the adjustments referred to in the preceding paragraphs and on the basis that 4,000,000,000 Shares are expected to be in issue following the Global Offering, but do not take into account any Shares which may be issued upon the exercise of the Over-allotment Option and options which may be granted under the Scheme and may be allotted and repurchased by our Group pursuant to the general mandates granted to our Directors to issue or repurchase Shares as described in "Share Capital".

(5) For purposes of the estimated net proceeds of the Global Offering and the unaudited pro forma adjusted net tangible assets per Share are converted into Hong Kong dollars and RMB at an exchange rate of HK$1.0 to RMB0.8787. No representation is made that the RMB amounts have been, could have been or may be converted to Hong Kong dollars, or vice versa, at that rate.

(6) The unaudited pro forma adjusted consolidated net tangible assets per Share does not take into account the declared dividends of USD100.0 million subsequent to April 30, 2020, details of which are disclosed in "Summary — Dividend Policy" and "Financial Information — Dividend Policy and Distributable Reserves" in this Prospectus. Had such dividends been taken into account, the unaudited pro forma adjusted consolidated net tangible assets per Share would be approximately HK$5.14 (based on an offer Price of HK3.50 per Share) and approximately HK$5.28 (based on an offer Price of HK4.50 per Share). The converting rate from Hong Kong dollars to Renminbi is at a rate of HK$1.0 to RMB0.8787 and the converting rate from United States dollars to Renminbi is at a rate of USD1.0 to RMB6.8101.

FUTURE PLANS AND PROSPECTS

To fulfill our mission to "build properties with craftsmanship and make better homes (用心建好房，讓家更美好)," we plan to further strengthen our market position in the Yangtze River Delta, the Bohai Economic Rim, Southern China, Southwestern China and Northwestern China by further expanding our market shares. To sustain our future growth, we also plan to continue to optimize our capital structure, maintain our net gearing ratio at a reasonable level and improve shareholder returns.

Our Directors believe that the Listing will facilitate the implementation of our business strategies as stated in "Business — Our strategies" in this Prospectus and will strengthen our market position and expand our market share in the industry. We are seeking the Listing because we believe that it will bring the following benefits to us and our shareholders:

- *Access to the capital markets.* We will be able to gain access to the capital markets as a publicly traded company upon Listing;

- *Liquidity for our stakeholders.* As the Listing of our Shares can create a liquid trading market for them, we believe that the Listing will help further incentivize our talented senior management and employees, some of which are stakeholders of our Company, and will, in turn, help us to achieve long-term success of the Group; and

- *Enhancement of our brand image.* We believe the Listing will further enhance our brand image and encourage market acceptance of our products and services.

USE OF PROCEEDS

We estimate that we will receive net proceeds of approximately HK$2,268.0 million from the Global Offering, after deducting the underwriting commissions and other estimated expenses payable by us in connection with the Global Offering, assuming that the Over-allotment Option is not exercised, without taking into account any Shares which may be issued upon exercise of any options which may be granted under the Share Option Scheme and assuming an Offer Price of HK$4.00 per Share (being the mid-point of the indicative Offer Price range set forth on the cover page of this Prospectus). We intend to use such net proceeds from the Global Offering for the purposes and in the amounts set forth below:

- approximately 60%, or approximately HK$1,360.8 million, will be used to finance the construction of Shaoxing New Block Guanlan Garden (紹興悠步觀瀾苑), Shaoxing Mirror Lake (紹興鏡湖), Fuzhou Jinhui Lanlinxuan (福州金輝瀾林軒), Xi'an Jinghe Town (西安涇河小鎮), Suzhou New Block Four Seasons Garden (蘇州悠步四季花園) and Chongqing Changjiang King's Garden (重慶長江銘著).

Project	Construction Status	Estimated Construction Completion Date	Amount of Net Proceeds	Timeline of Proposed Usage	
			(HK$ million)		(HK$ million)
Shaoxing New Block Guanlan Garden (紹興悠步觀瀾苑)	Under development	June 2022	262.6	Fourth quarter of 2020	80.3
				First quarter of 2021	144.5
				Second quarter of 2021	37.8
Shaoxing Mirror Lake (紹興鏡湖)	Held for future development	June 2022	217.4	Fourth quarter of 2020	34.4
				First quarter of 2021	154.3
				Second quarter of 2021	28.7
Fuzhou Jinhui Lanlinxuan (福州金輝瀾林軒)	Held for future development	November 2021	118.1	Fourth quarter of 2020	74.5
				First quarter of 2021	33.3
				Second quarter of 2021	10.3
Xi'an Jinghe Town (西安涇河小鎮)	Under development	October 2028	474.8	Fourth quarter of 2020	177.7
				First quarter of 2021	166.3
				Second quarter of 2021	130.8
Suzhou New Block Four Seasons Garden (蘇州悠步四季花園)					
Phase I	Under development	October 2021	136.5	Fourth quarter of 2020	45.9
				First quarter of 2021	48.2
				Second quarter of 2021	42.4
Phase II	Held for future development	February 2022	151.4	Fourth quarter of 2020	50.5
				First quarter of 2021	53.9
				Second quarter of 2021	47.0
			1,360.8		

We plan to use the net proceeds from the Global Offering, bank borrowings and pre-sale proceeds to finance the development costs for such projects:

	Estimated Future Development Cost as of July 31, 2020	Amount of Net Proceeds from the Global offering	Bank Borrowings	Estimated Pre-sale Proceeds
	(RMB in million)			
Shaoxing New Block Guanlan Garden (紹興悠步觀瀾苑)	595.1	230.8	—	364.3
Shaoxing Mirror Lake (紹興鏡湖)	587.7	191.0	—	396.7
Fuzhou Jinhui Lanlinxuan (福州金輝瀾林軒)	619.3	103.8	500.0	15.5
Xi'an Jinghe Town (西安涇河小鎮)	7,862.3	417.2	—	7,445.1
Suzhou New Block Four Seasons Garden (蘇州悠步四季花園)	367.6	253.0	—	114.6
Total	**10,032.0**	**1,195.8**	**500.0**	**8,336.2**

See "Business — Our Property Development Business — Our Property Projects" for more details on the timetable for each of these projects;

- approximately 30%, or approximately HK$680.4 million, will partially be used to repay of a portion of our existing trust loans for our project development, comprising (i) the outstanding balance of RMB983.0 million of a trust loan with a term of two years, an interest rate of 11.5% per annum and the maturity date of January 19, 2021; (ii) the outstanding balance of RMB200.0 million of a trust loan with a term of 18 months, an interest rate of 10.5% per annum and the maturity date of December 25, 2020; and (iii) the outstanding balance of RMB219.2 million of a trust loan with a term of one year, an interest rate of 10.7% per annum and the maturity date of December 13, 2020; and

- approximately 10%, or approximately HK$226.8 million, will be used for general business operations and working capital.

If the Over-allotment Option is exercised in full, we estimate that the additional net proceeds from the offering of these additional Shares will be approximately HK$349.2 million, after deducting the underwriting commissions and other estimated expenses payable by us in connection with the Global Offering, assuming an Offer Price of HK$4.00 per Share, being the mid-point of the indicative Offer Price range.

If the Offer Price is determined at HK$4.50 per Offer Share, being the high end of the indicative Offer Price range stated in this Prospectus, and assuming that the Over-allotment Option is not exercised, we will receive additional net proceeds of approximately HK$291.0 million. If the Offer Price is fixed at HK$3.50 per Offer Share, being the low end of the indicative Offer Price range stated in this Prospectus, and assuming that the Over-allotment Option is not exercised, the net proceeds we receive will be reduced by approximately HK$291.0 million.

To the extent that the net proceeds from the Global Offering are not immediately applied to the purposes stated above, and to the extent permitted by applicable laws and regulations, we intend to deposit the proceeds into short-term interest-bearing bank accounts with licensed financial institutions. We will make a formal announcement in the event that there is any change in our use of net proceeds from the purposes stated above or in our allocation of the net proceeds in the proportions stated above.

HONG KONG UNDERWRITERS

ABCI Securities Company Limited
CLSA Limited
Haitong International Securities Company Limited
CMB International Capital Limited
Guotai Junan Securities (Hong Kong) Limited
GLAM Capital Limited
Vision Capital International Holdings Limited
AMTD Global Markets Limited
China Silver Bullet Securities Company Limited
Livermore Holdings Limited

UNDERWRITING

This Prospectus is published solely in connection with the Hong Kong Public Offering. The Hong Kong Public Offering is fully underwritten by the Hong Kong Underwriters on a conditional basis. The International Offering is expected to be fully underwritten by the International Underwriters subject to the terms and conditions of the International Underwriting Agreement. If, for any reason, the Offer Price is not agreed between the Joint Global Coordinators (for themselves and on behalf of the Underwriters) and our Company, the Global Offering will not proceed and will lapse.

The Global Offering comprises the Hong Kong Public Offering of initially 60,000,000 Hong Kong Offer Shares and the International Offering of initially 540,000,000 International Offer Shares, subject, in each case, to reallocation on the basis as described in "Structure of the Global Offering" as well as to the Over-allotment Option in the case of the International Offering.

UNDERWRITING ARRANGEMENTS AND EXPENSES

Hong Kong Public Offering

Hong Kong Underwriting Agreement

Pursuant to the Hong Kong Underwriting Agreement, we are offering the Hong Kong Offer Shares for subscription by the public in Hong Kong in accordance with the terms and conditions of this Prospectus and the Application Forms relating thereto.

Subject to the Listing Committee granting listing of, and permission to deal in, the Shares to be offered under the Global Offering as mentioned in this Prospectus, and certain other conditions set forth in the Hong Kong Underwriting Agreement (including the Joint Global Coordinators (for themselves and on behalf of the Underwriters) and our Company agreeing upon the Offer Price) being satisfied (or, as the case may be, waived), the Hong Kong Underwriters have agreed to subscribe or procure subscribers for their respective applicable proportions of the Hong Kong Offer Shares in aggregate, now being offered which are not taken up under the Hong Kong Public Offering on the terms and conditions of this Prospectus, the Application Forms relating thereto and the Hong Kong Underwriting Agreement.

The Hong Kong Underwriting Agreement is conditional on and subject to the International Underwriting Agreement having been executed and becoming unconditional and not having been terminated in accordance with its terms.

Grounds for Termination

The obligations of the Hong Kong Underwriters to subscribe or procure subscribers for the Hong Kong Offer Shares under the Hong Kong Underwriting Agreement are subject to termination if at any time prior to 8:00 a.m. on the Listing Date:

(1) there develops, occurs, exists or comes into effect:

(a) any new Laws (as defined in the Hong Kong Underwriting Agreement) or any change or development involving a prospective change in existing Laws, or any change or development involving a prospective change in the interpretation or application thereof by any court or other competent authority in or affecting Hong Kong, the PRC, Singapore, the Cayman Islands, United States, the United Kingdom, the European Union (or any member thereof) or any other jurisdiction relevant to any member of the Group (each a "**Relevant Jurisdiction**"); or

(b) any change, or development involving a prospective change, or any event or series of events likely to result in or representing a change or development involving a prospective change, in any local, national, regional or international financial, political, military, industrial, economic, currency market, fiscal or regulatory or market conditions or any monetary or trading settlement system (including, without limitation, conditions in stock and bond markets, money and foreign exchange markets, inter-bank markets and credit markets) in or affecting any Relevant Jurisdiction; or

(c) any event or series of events in the nature of force majeure (including, without limitation, acts of government, strikes, lock-outs, fire, explosion, earthquake, flooding, tsunami, civil commotion, riots, public disorder, acts of war, acts of terrorism (whether or not responsibility has been claimed), acts of God, outbreak of diseases, epidemics or pandemics, economic sanctions, outbreak or escalation of hostilities (whether or not war is or has been declared) or other state of emergency or calamity or crisis (in whatever form) in or directly or indirectly affecting any Relevant Jurisdiction; or

(d) any moratorium, suspension or restriction (including, without limitation, any imposition of or requirement for any minimum or maximum price limit or price range) in or on trading in securities generally on the Stock Exchange, the New York Stock Exchange, the NASDAQ Global Market, the London Stock Exchange, the Shanghai Stock Exchange or the Shenzhen Stock Exchange; or

(e) any general moratorium on commercial banking activities in Hong Kong (imposed by the Financial Secretary or the Hong Kong Monetary Authority or other competent Governmental Authority), New York (imposed at Federal or New York State level or other competent Governmental Authority), London, the PRC, the European Union (or any member thereof), or any Relevant Jurisdiction or any disruption in commercial banking or foreign exchange trading or securities settlement or clearance services, procedures or matters in any Relevant Jurisdiction; or

(f) any change or development involving a prospective change in Taxation (as defined in the Hong Kong Underwriting Agreement), exchange controls, currency exchange rates or foreign investment regulations (including, without limitation, a change in the exchange rate of the Hong Kong dollars or RMB against any foreign currencies, a change in the system under which the value of the Hong Kong dollars is linked to that of the United States dollars or RMB is linked to any foreign currency or currencies); or

(g) the issue or requirement to issue by the Company of a supplement or amendment to this Prospectus, Application Forms, preliminary offering circular or offering circular or other documents in connection with the offer and sale of the Shares pursuant to the Companies Ordinance, Companies (Winding Up and Miscellaneous Provisions) Ordinance or the Listing Rules or upon any requirement or request of the Stock Exchange or the SFC; or

(h) any change or development involving a prospective change which has the effect of materialisation of any of the risks set out in the section headed "Risk Factors" in this Prospectus; or

(i) any litigation or claim being threatened or instigated against any member of the Group, any executive Director or any Controlling Shareholder; or

(j) save as disclosed in this Prospectus, a contravention by any member of the Group of the Companies Ordinance, the Listing Rules or applicable laws; or

(k) non-compliance of this Prospectus (or any other documents used in connection with the contemplated subscription and sale of the Offer Shares) or any aspect of the Global Offering with the Listing Rules or any other applicable law; or

(l) any executive Director or the chief executive officer of the Company vacating his office; or

(m) a Governmental Authority (as defined in the Hong Kong Underwriting Agreement) or a regulatory body or organisation in any Relevant Jurisdiction commencing any investigation or other action or proceedings, or announcing an intention to investigate or take other action or proceedings, against any member of the Group or any Director; or

(n) any Director being charged with an indictable offence or prohibited by operation of Laws or otherwise disqualified from, or any executive Director being incapable of or unavailable for, taking part in the management of a company; or

(o) any material adverse change or prospective material adverse change in the earnings, results of operations, business, business prospects, financial or trading position, conditions (financial or otherwise) or prospects of any member of the Group (including any litigation or claim of any third party being threatened or instigated against any member of the Group); or

(p) any demand by creditors for repayment or payment of any indebtedness which any member of the Group is liable prior to its stated maturity; or

(q) any order or petition for the winding up of any member of the Group or any composition or arrangement made by any member of the Group with its creditors or a scheme of arrangement entered into by any member of the Group or any resolution for the winding-up of any member of the Group or the appointment of a provisional liquidator, receiver or manager over all or part of the material assets or undertaking of any member of the Group or anything analogous thereto occurring in respect of any member of the Group; or

(r) a prohibition by a Governmental Authority on the Company for whatever reason from allotting, issuing or selling the Shares (including the Over-allotment Option Shares) pursuant to the terms of the Global Offering; or

(s) the imposition of sanctions, in whatever form, directly or indirectly, by, or for, any Relevant Jurisdiction on the Company or any member of the Group; or

(t) any portion of the orders placed or confirmed in the book-building process under the International Offering have been withdrawn, terminated or cancelled,

which, in any such case individually or in the aggregate, in the sole and absolute opinion of the Joint Global Coordinators (for themselves and on behalf of the Hong Kong Underwriters):

(A) is or will be or may be materially adverse to, or materially and prejudicially affects, the assets, liabilities, business, general affairs, management, shareholder's equity, profit, losses, results of operations, position or condition (financial or otherwise), or performance of the Company or the Group as a whole; or

(B) has or will have or may have a material adverse effect on the success of the Global Offering or the level of Offer Shares being applied for or accepted or subscribed for or purchased; or

(C) makes or will make it or may make it impracticable or inadvisable or incapable to proceed with the Hong Kong Public Offering and/or the Global Offering or the delivery of the Offer Shares on the terms and in the manner contemplated by this Prospectus, the Application Forms, the formal notice, the preliminary offering circular or the offering circular; or

(D) would have or may have the effect of making a part of the Hong Kong Underwriting Agreement (including underwriting) incapable of performance in accordance with its terms or which prevents the processing of applications and/or payments pursuant to the Global Offering or pursuant to the underwriting thereof; or

(2) there has come to the notice of the Joint Global Coordinators (for themselves and on behalf of the Hong Kong Underwriters):

(a) that any statement contained in the Hong Kong Public Offering Documents (as defined in the Hong Kong Underwriting Agreement) and/or any notices, announcements, advertisements, communications issued or used by or on behalf of the Company in connection with the Hong Kong Public Offering (including any supplement or amendment thereto) was, when it was used, or has become untrue, incorrect in any material aspect or misleading or that any forecasts, estimate, expressions of opinion, intention or expectation expressed in the Hong Kong Public Offering Documents and/or any notices, announcements, advertisements, communications so issued or used by or on behalf of the Company in connection with the Hong Kong Public Offering are not fair and honest and made on reasonable grounds or, where appropriate, based on reasonable assumptions, when taken as a whole; or

(b) any matter has arisen or has been discovered which would, had it arisen or been discovered immediately before the date of this Prospectus, not having been disclosed in the Hong Kong Public Offering Documents (including any supplement or amendment thereto), constitutes a material omission therefrom; or

(c) any event, act or omission which gives or is likely to give rise to any liability of the Company and the Controlling Shareholders pursuant to the indemnities given by the Company and the Controlling Shareholders under the Hong Kong Underwriting Agreement; or

(d) any material breach of any of the obligations of the Company and the Controlling Shareholders under the Hong Kong Underwriting Agreement or the International Underwriting Agreement; or

(e) any breach of, or any event rendering any of the Warranties (as defined in the Hong Kong Underwriting Agreement) untrue or incorrect or misleading in any material respect; or

(f) any expert, whose consent is required for the issue of this Prospectus with the inclusion of its reports, letters or opinions and references to its name included in the form and context in which it respectively appears, has withdrawn its respective consent (other than the Joint Sponsors) prior to the issue of this Prospectus; or

(g) any material adverse change or prospective adverse change or development involving a prospective material adverse change in the assets, business, general affairs, management, shareholder's equity, profits, losses, results of operations, in the position or condition (financial or otherwise) or prospects of the Company and its subsidiaries, as a whole; or

(h) Admission (as defined in the Hong Kong Underwriting Agreement) is refused or not granted, other than subject to customary conditions, on or before the Listing Date, or if granted, the Admission is subsequently withdrawn, cancelled, qualified (other than by customary conditions), revoked or withheld; or

(i) the Company has withdrawn the offering documents (and/or any other documents issued or used in connection with the Global Offering) or the Global Offering,

then the Joint Global Coordinators may, for themselves and on behalf of the Hong Kong Underwriters, in their sole and absolute discretion and upon giving notice orally or in writing to the Company, terminate the Hong Kong Underwriting Agreement with immediate effect.

Undertakings to the Stock Exchange Pursuant to the Listing Rules

(A) Undertakings by our Company

Pursuant to Rule 10.08 of the Listing Rules, our Company has undertaken to the Stock Exchange that, no further Shares or securities convertible into equity securities of the Company, whether or not of a class already listed, may be issued by our Company or form the subject of any agreement to such issue within six months from the Listing Date up to and including the date falling six months after the Listing Date (whether or not such issue of Shares or securities will be completed within six months from the Listing Date), except pursuant to the Capitalization Issue, the Global Offering and the exercise of the Over-allotment Option, and in certain circumstances provided under Rule 10.08 of the Listing Rules.

(B) Undertakings by our Controlling Shareholders

Pursuant to Rule 10.07(1) of the Listing Rules, our Controlling Shareholders have undertaken to the Stock Exchange and to our Company that, except pursuant to the Capitalization Issue, the Global Offering, the Stock Borrowing Agreement, the exercise of the Over-allotment Option and the options which may be granted under the Share Option Scheme, they will not and will procure that the relevant registered holder(s) of our Shares will not:

(i) in the period commencing on the date of this Prospectus and ending on the date which is six months from the Listing Date (the "**First Six-month Period**"), dispose of, nor enter into any agreement to dispose of or otherwise create any options, rights, interests or encumbrances in respect of, any of our Shares or securities in respect of which he/she/it is or they are shown in this Prospectus to be the beneficial owner(s); and

(ii) in the period of six months commencing on the date on which the First Six-month Period expires, dispose of, nor enter into any agreement to dispose of or otherwise create any options, rights, interests or encumbrances in respect of, any of our Shares or securities referred to in paragraph (i) above if immediately following such disposal, or upon the exercise or enforcement of such options, rights, interests or encumbrances, that he/she/it would then cease to be a group of Controlling Shareholders.

Pursuant to Note 3 to Rule 10.07(2) of the Listing Rules, our Controlling Shareholders have undertaken to the Stock Exchange and the Company that he or she or it will within the period commencing on the date of the Prospectus and ending on the date which is 12 months from the Listing Date, they will:

(i) when he or she or it pledges or charges any Shares or securities of the Company beneficially owned by him or her or its in favour of an authorized institution (as defined in the Banking Ordinance (Chapter 155 of the Laws of Hong Kong)) pursuant to Note 2 to Rule 10.07(2) of the Listing Rules, immediately inform our Company of such pledge or charge together with the number of Shares or securities of the Company so pledged or charged; and

(ii) when he or she or it receives indications, either verbal or written, from the pledgee or chargee that any of the pledged or charged Shares or securities of the Company will be disposed of, immediately inform our Company in writing of such indications.

Our Company will inform the Stock Exchange as soon as we have been informed the matters referred to in paragraphs (i) and (ii) above by any of our Controlling Shareholders and make a public disclosure in relation to such information by way of an announcement in accordance with the Listing Rules as soon as possible.

Undertakings Pursuant to the Hong Kong Underwriting Agreement

(A) Undertakings by our Company

The Company has undertaken to each of the Joint Sponsors, the Joint Global Coordinators, the Joint Bookrunners, the Joint Lead Managers, the Hong Kong Underwriters that except pursuant to the Capitalization Issue and the Global Offering (including pursuant to the Over-allotment Option), at any time after the date of the Hong Kong Underwriting Agreement up to and including the date falling six months after the Listing Date (the "**First Six Month Period**"), it will not, and will procure that other members of the Group will not (and each of the Controlling Shareholders shall procure that the Company will not itself and will procure that other members of the Group not to) cause it to, without the prior written consent of the Joint Sponsors and the Joint Global Coordinators (for themselves and on behalf of the Hong Kong Underwriters) and unless in compliance with the requirements of the Listing Rules.

(1) allot, issue, sell, accept subscription for, offer to allot, issue or sell, contract or agree to allot, issue or sell, mortgage, charge, pledge, hypothecate, lend, grant or sell any option, warrant, contract or right to subscribe for or purchase, grant or purchase any option, warrant, contract or right to allot, issue or sell, or otherwise transfer or dispose of or create an encumbrance over, or agree to transfer or dispose of or create an encumbrance over, either directly or indirectly, conditionally or unconditionally, any legal or beneficial interest in the share capital or other equity securities of the Company (including, without limitation, any securities convertible into or exchangeable or exercisable for or that represent the right to receive, or any warrants or other rights to purchase any share capital or other equity securities of the Company, as applicable), or deposit any share capital or other equity securities of the Company, as applicable, with a depositary in connection with the issue of depositary receipts; or

(2) enter into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership (legal or beneficial) of the Shares or other equity securities of the Company, or any interest in any of the foregoing (including, without limitation, any equity securities convertible into or exchangeable or exercisable for or that represent the right to receive, or any warrants or other rights to purchase, any Shares); or

(3) enter into any transaction with the same economic effect as any transaction specified in (1) or (2) above; or

(4) offer to or agree to do any of the foregoing or announce any intention to do so,

in each case, whether any of the foregoing transactions is to be settled by delivery of share capital or such other equity securities, in cash or otherwise (whether or not the issue of such share capital or other equity securities will be completed within the First Six-Month Period).

The Company further agrees that, in the event the Company is allowed to enter into any of the transactions described in (1), (2) or (3) above or offers to or agrees to or announces any intention to effect any such transaction during the period of six months commencing on the date on which the First Six Month Period expires (the "**Second Six Month Period**"), it will take all reasonable steps to ensure that such an issue or disposal will not, and no other act of the Company will, create a disorderly or false market for any Shares or other securities of the Company.

(B) Undertaking by the Controlling Shareholders

Each of the Controlling Shareholders hereby undertakes to each of the Company, the Joint Sponsors, the Joint Global Coordinators, the Joint Bookrunners, the Joint Lead Managers and the Hong Kong Underwriters that, except pursuant to the Global Offering (including pursuant to the Over-allotment Option and the Stock Borrowing Agreement, if any) without the prior written consent of the Joint Global Coordinators (for themselves and on behalf of the Hong Kong Underwriters), it will not, and will procure that none of its Associates will:

(1) at any time during the First Six-month Period, (i) offer, accept subscription for, pledge, charge, allot, issue, sell, lend, mortgage, assign, contract to allot, issue or sell, sell any option or contract to purchase, purchase any option or contract to sell, grant or agree to grant any option, right or warrant to purchase or subscribe for, lend or otherwise transfer or dispose of, either directly or indirectly, conditionally or unconditionally, or repurchase any of its share capital or other securities of the Company or any interest therein (including but not limited to any securities convertible into or exercisable or exchangeable for or that represent the right to receive any such share capital or securities or any interest therein); or (ii) enter into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership (legal or beneficial) of any share capital or other securities any interest therein, as applicable, or any interest in any of the foregoing (including, without limitation, any securities convertible into or exchangeable or exercisable for or that represent the right to receive, or any warrants or other rights to purchase, any Shares), or (iii) enter into any transaction with the same economic effect as any transaction specified in (i) or (ii) above, or (iv) offer to or agree to do any of the foregoing or announce any intention to do so, in each case, whether any of the foregoing transactions is to be settled by delivery of share capital or other securities in cash or otherwise;

(2) at any time during the Second Six-Month Period, enter into any of the transactions specified in (1)(i), (ii) or (iii) above or offer to or agree to or announce any intention to effect any such transaction if, immediately following any sale, transfer or disposal or upon the exercise or enforcement of any option, right, interest or encumbrance pursuant to such transaction, it will cease to be a "controlling shareholder" (as the term is defined in the Listing Rules) of the Company; and

(3) until the expiry of the Second Six-Month Period, in the event that it enters into any of the transactions specified in (1)(i), (ii) or (iii) above or offers to or agrees to or announce any intention to effect any such transaction, it will take all reasonable steps to ensure that it will not create a disorderly or false market in the securities of the Company, provided that, subject to strict compliance with any requirements of applicable laws (including, without limitation and for the avoidance of doubt, the requirements of the Stock Exchange or of the SFC or of any other relevant Governmental Authority), nothing in (1) shall prevent any of the Controlling Shareholders from using equity securities of the Company beneficially owned by it as security in favour of an authorised institution (as defined in the Banking Ordinance (Chapter 155) of the laws of Hong Kong).

Indemnity

We have agreed to indemnify the Joint Sponsors, the Joint Global Coordinators, the Joint Bookrunners, the Joint Lead Managers and the Hong Kong Underwriters for certain losses which they may suffer, including losses arising from their performance of their obligations under the Hong Kong Underwriting Agreement and any breach by us of the Hong Kong Underwriting Agreement.

Hong Kong Underwriters' Interests in Our Company

Except for their respective obligations under the Hong Kong Underwriting Agreement, none of the Hong Kong Underwriters has any shareholding interest in our Company or any right or option (whether legally enforceable or not) to subscribe for or nominate persons to subscribe for securities in our Company or any member of our Group.

Following the completion of the Global Offering, the Hong Kong Underwriters and their affiliated companies may hold a certain portion of our Shares as a result of fulfilling their obligations under the Hong Kong Underwriting Agreement.

THE INTERNATIONAL OFFERING

International Underwriting Agreement

In connection with the International Offering, it is expected that we and our Controlling Shareholders will enter into the International Underwriting Agreement with the Joint Global Coordinators and the International Underwriters. Under the International Underwriting Agreement, subject to the conditions set forth therein, the International Underwriters would severally and not jointly agree to purchase, or procure purchasers to purchase, the Offer Shares being offered pursuant to the International Offering. It is expected that the International Underwriting Agreement may be terminated on similar grounds as the Hong Kong Underwriting Agreement. Potential investors are reminded that in the event that the International Underwriting Agreement is not entered into, the Global Offering will not proceed.

Over-allotment Option

We expect to grant to the Joint Global Coordinators (for themselves and on behalf of the International Underwriters), exercisable in whole or in part by the Joint Global Coordinators at their sole and absolute discretion, the Over-allotment Option, which will be exercisable at any time and from time to time on or before the expiration of the period of 30 calendar days from the last day for the lodging of applications under the Hong Kong Public Offering, to require our Company to allot and issue up to an aggregate of 90,000,000 Shares, representing 15% of the Offer Shares initially available under the Global Offering, at the Offer Price, to cover over-allocations in the International Offering, if any.

Commissions and Expenses

The Joint Global Coordinators (for themselves and on behalf of the Hong Kong Underwriters) will receive an underwriting commission of 2% of the aggregate Offer Price in respect of all the Hong Kong Offer Shares (excluding any International Offer Shares reallocated to and from the Hong Kong Public Offering).

For unsubscribed Hong Kong Offer Shares reallocated to the International Offering (in such proportion as the Joint Global Coordinators in their sole discretion consider appropriate), the underwriting commission regarding such Hong Kong Offer Shares shall be reallocated to the International Underwriters (in such proportion as the Joint Global Coordinators in their sole discretion consider appropriate). Further, we may, at our sole discretion, pay to any one or all of the Hong Kong Underwriters an additional incentive fee of up to an aggregate of 1.0% of the Offer Price for each Hong Kong Offer Share.

Assuming the Over-allotment Option is not exercised, the aggregate commissions and fees, together with Stock Exchange listing fees, SFC transaction levy of 0.0027% and Stock Exchange trading fee of 0.005%, legal and other professional fees and printing and all other expenses relating to the Global Offering, which are currently estimated to amount in aggregate to approximately HK$132.0 million (assuming an Offer Price of HK$4.00 per Offer Share, being the mid-point of the indicative Offer Price range stated in this Prospectus), are payable and borne by our Company.

INDEPENDENCE OF THE JOINT SPONSORS

The Joint Sponsors satisfy the independence criteria applicable to sponsors set out in Rule 3A.07 of the Listing Rules.

ACTIVITIES BY SYNDICATE MEMBERS

The underwriters of the Hong Kong Public Offering and the International Offering (together, the "**Syndicate Members**") and their affiliates may each individually undertake a variety of activities (as further described below) which do not form part of the underwriting or stabilizing process.

The Syndicate Members and their affiliates are diversified financial institutions with relationships in countries around the world. These entities engage in a wide range of commercial and investment banking, brokerage, funds management, trading, hedging, investing and other activities for their own account and for the account of others. In relation to our Shares, those activities could include acting as agent for buyers and sellers of our Shares, entering into transactions with those buyers and sellers in a principal capacity, proprietary trading in our Shares, and entering into over the counter or listed derivative transactions or listed and unlisted securities transactions (including issuing securities such as derivative warrants listed on a stock exchange) which have as their underlying assets, assets including our Shares. Those activities may require hedging activity by those entities involving, directly or indirectly, the buying and selling of our Shares. All such activity could occur in Hong Kong and elsewhere in the world and may result in the Syndicate Members and their affiliates holding long and/or short positions in our Shares, in baskets of securities or indices including our Shares, in units of funds that may purchase our Shares, or in derivatives related to any of the foregoing.

In relation to issues by Syndicate Members or their affiliates of any listed securities having our Shares as their underlying securities, whether on the Stock Exchange or on any other stock exchange, the rules of the exchange may require the issuer of those securities (or one of its affiliates or agents) to act as a market maker or liquidity provider in the security, and this will also result in hedging activity in our Shares in most cases.

All such activities may occur both during and after the end of the stabilizing period described in "Structure of the Global Offering". Such activities may affect the market price or value of our Shares, the liquidity or trading volume in our Shares and the volatility of the price of our Shares, and the extent to which this occurs from day to day cannot be estimated.

It should be noted that when engaging in any of these activities, the Syndicate Members will be subject to certain restrictions, including the following:

(a) the Syndicate Members (other than the Stabilizing Manager or any person acting for it) must not, in connection with the distribution of the Offer Shares, effect any transactions (including issuing or entering into any option or other derivative transactions relating to the Offer Shares), whether in the open market or otherwise, with a view to stabilizing or maintaining the market price of any of the Offer Shares at levels other than those which might otherwise prevail in the open market; and

(b) the Syndicate Members must comply with all applicable laws and regulations, including the market misconduct provisions of the SFO, including the provisions prohibiting insider dealing, false trading, price rigging and stock market manipulation.

THE GLOBAL OFFERING

This Prospectus is published in connection with the Hong Kong Public Offering as part of the Global Offering. The Global Offering comprises (subject to reallocation and the Over-allotment Option):

(a) the Hong Kong Public Offering of 60,000,000 Shares (subject to reallocation as mentioned below) for subscription by the public in Hong Kong as described in the paragraph headed "— The Hong Kong Public Offering" below; and

(b) the International Offering of 540,000,000 Shares (subject to reallocation and the Over-allotment Option as mentioned below) outside the United States (including to professional and institutional investors within Hong Kong) in offshore transactions in reliance on Regulation S under the U.S. Securities Act as described under the paragraph headed "— The International Offering" below.

Up to 90,000,000 additional Shares may be offered pursuant to the exercise of the Over-allotment Option as set forth in the paragraph headed "— The International Offering — Over-allotment Option" below.

Investors may apply for Offer Shares under the Hong Kong Public Offering or indicate an interest, if qualified to do so, for the Offer Shares under the International Offering, but may not do both.

The Offer Shares in the Global Offering will represent 15% of our enlarged share capital immediately after the completion of the Global Offering, without taking into account the exercise of the Over-allotment Option. If the Over-allotment Option is exercised in full, the Offer Shares will represent approximately 16.87% of our enlarged share capital immediately after the completion of the Global Offering and the exercise of the Over-allotment Option as set forth in the paragraphs under "Over-allotment Option".

References in this Prospectus to applications, Application Forms, application monies or the procedure for application relate solely to the Hong Kong Public Offering.

The number of Offer Shares to be offered under the Hong Kong Public Offering and the International Offering, respectively, may be subject to reallocation as described in the paragraph headed "— The Hong Kong Public Offering — Reallocation" in this section below.

THE HONG KONG PUBLIC OFFERING

Number of Hong Kong Offer Shares Initially Offered

We are initially offering 60,000,000 Shares for subscription by the public in Hong Kong at the Offer Price, representing 10% of the total number of Offer Shares initially available under the Global Offering subject to the reallocation of Offer Shares between the International Offering and the Hong Kong Public Offering and assuming that the Over-allotment Option is not exercised. The Hong Kong Public Offering is open to members of the public in Hong Kong as well as to institutional and professional investors. Professional investors generally include brokers, dealers, companies (including fund managers) whose ordinary business involves dealing in shares and other securities, and corporate entities which regularly invest in shares and other securities.

Completion of the Hong Kong Public Offering is subject to the conditions as set forth in the paragraph headed "— Conditions of the Global Offering" below.

Allocation

The allocation of Hong Kong Offer Shares to investors under the Hong Kong Public Offering will be based solely on the level of valid applications received under the Hong Kong Public Offering. The basis of allocation may vary, depending on the number of Hong Kong Offer Shares validly applied for by applicants. Such allocation could, where appropriate, consist of balloting, which would mean that some applicants may receive a higher allocation than others who have applied for the same number of Hong Kong Offer Shares, and those applicants who are not successful in the ballot may not receive any Hong Kong Offer Shares.

For allocation purposes only, the total number of Hong Kong Offer Shares available under the Hong Kong Public Offering (after taking into account of any reallocation) is to be divided equally into two pools:

- Pool A: The Hong Kong Offer Shares in Pool A will be allocated on an equitable basis to applicants who have applied for Hong Kong Offer Shares with an aggregate price of HK$5 million (excluding the brokerage, SFC transaction levy and the Stock Exchange trading fee payable) or less; and

- Pool B: The Hong Kong Offer Shares in Pool B will be allocated on an equitable basis to applicants who have applied for Hong Kong Offer Shares with an aggregate price of more than HK$5 million (excluding the brokerage, SFC transaction levy and the Stock Exchange trading fee payable).

Investors should be aware that applications in Pool A and applications in Pool B may receive different allocation ratios. If Hong Kong Offer Shares in one (but not both) of the pools are under-subscribed, the surplus Hong Kong Offer Shares will be transferred to the other pool to satisfy demand in that other pool and be allocated accordingly. For the purpose of this subsection only, the "price" for Hong Kong Offer Shares means the price payable on application therefore (without regard to the Offer Price as finally determined). Applicants can only receive an allocation of Hong Kong Offer Shares from either Pool A or Pool B but not from both pools. Multiple applications or suspected multiple applications and any application for more than 30,000,000 Hong Kong Offer Shares (being 50% of the 60,000,000 Hong Kong Offer Shares initially available under the Hong Kong Public Offering) are liable to be rejected.

Reallocation

The allocation of the Offer Shares between the Hong Kong Public Offering and the International Offering is subject to reallocation at the discretion of the Joint Global Coordinators, subject to the following:

(a) where the International Offering Shares are fully subscribed or oversubscribed:

    (i) if the Hong Kong Offer Shares are undersubscribed, the Joint Global Coordinators have the authority to reallocate all or any unsubscribed Hong Kong Offer Shares to the International Offering, in such proportions as the Joint Global Coordinators deem appropriate;

    (ii) if the number of Offer Shares validly applied for under the Hong Kong Public Offering represents less than 15 times the number of the Offer Shares initially available for subscription under the Hong Kong Public Offering, then up to 60,000,000 Offer Shares may be reallocated to the Hong Kong Public Offering from the International Offering, so that the total number of the Offer Shares available under the Hong Kong Public Offering will be increased to 120,000,000 Offer Shares, representing 20% of the total number of the Offer Shares initially available under the Global Offering;

(iii) if the number of Offer Shares validly applied for under the Hong Kong Public Offering represents (1) 15 times or more but less than 50 times, (2) 50 times or more but less than 100 times, (3) 100 times or more of the number of Offer Shares initially available under the Hong Kong Public Offering, the Offer Shares will be reallocated to the Hong Kong Public Offering from the International Offering in accordance with the clawback requirements set forth in paragraph 4.2 of Practice Note 18 of the Hong Kong Listing Rules, so that the total number of Hong Kong Offer Shares will be increased to 180,000,000 Offer Shares (in the case of (1)), 240,000,000 Offer Shares (in the case of (2)) and 300,000,000 Offer Shares (in the case of (3)), representing 30%, 40% and 50% of the Offer Shares initially available under the Global Offering, respectively;

(b) where the International Offering Shares are undersubscribed:

(i) if the Hong Kong Offer Shares are also undersubscribed, the Global Offering will not proceed unless the Underwriters would subscribe for or procure subscribers for their respective applicable proportions of the Offer Shares being offered which are not taken up under the Global Offering on the terms and conditions of this Prospectus, the Application Forms and the Underwriting Agreements; and

(ii) if the Hong Kong Offer Shares are fully subscribed or oversubscribed (irrespective of the extent of over-subscription), then up to 60,000,000 Offer Shares may be reallocated to the Hong Kong Public Offering from the International Offering, so that the total number of the Offer Shares available under the Hong Kong Public Offering will be increased to 120,000,000 Offer Shares, representing 20% of the total number of the Offer Shares initially available under the Global Offering;

In the event of reallocation of Offer Shares from the International Offering to the Hong Kong Public Offering in the circumstances described in paragraph (a)(ii) or (b)(ii) above, the final Offer Price shall be fixed at the bottom end of the Offer Price Range (i.e. HK$3.50 per Offer Share) according to HKEX Guidance Letter HKEX-GL91-18 issued by the Stock Exchange.

In all cases of reallocation of Offer Shares from the International Offering to the Hong Kong Public Offering, the additional Offer Shares reallocated to the Hong Kong Public Offering will be allocated between Pool A and Pool B in equal proportion and the number of Offer Shares allocated to the International Offering will be correspondingly reduced.

Applications

Each applicant under the Hong Kong Public Offering will also be required to give an undertaking and confirmation in the application submitted by him/her that he/she and any person(s) for whose benefit he/she is making the application have not applied for or taken up, or indicated an interest for, and will not apply for or take up, or indicate an interest for, any Offer Shares under the International Offering, and such applicant's application is liable to be rejected if the said undertaking and/or confirmation is breached and/or untrue (as the case may be) or it has been or will be placed or allocated Offer Shares under the International Offering.

Applicants under the Hong Kong Public Offering are required to pay, on application, the maximum price of HK$4.50 per Share in addition to the brokerage, SFC transaction levy and Stock Exchange trading fee payable on each Offer Share. If the Offer Price, as finally determined in the manner described in the paragraph headed "— Pricing and Allocation" in this section below, is less than the maximum price of HK$4.50 per Share, appropriate refund payments (including the brokerage, SFC transaction levy and Stock Exchange trading fee attributable to the surplus application monies) will be made to successful applicants, without interest. For details, see "How to Apply for Hong Kong Offer Shares".

THE INTERNATIONAL OFFERING

Number of International Offer Shares Initially Offered

We will be initially offering for subscription under the International Offering 540,000,000 Offer Shares, representing 90% of the Offer Shares under the Global Offering subject to the reallocation of Offer Shares between the International Offering and the Hong Kong Public Offering and assuming that the Over-allotment Option is not exercised.

Allocation

The International Offering will involve private placements of the Offer Shares to institutional and professional investors and other investors outside the United States (including to professional and institutional investors within Hong Kong) in offshore transactions in reliance on Regulation S under the U.S. Securities Act. Professional investors generally include brokers, dealers, companies (including fund managers) whose ordinary business involves dealing in shares and other securities and corporate entities which regularly invest in shares and other securities. Allocation of International Offer Shares pursuant to the International Offering will be effected in accordance with the "book-building" process described in the paragraph headed "— Pricing and Allocation" below and based on a number of factors, including the level and timing of demand, the total size of the relevant investor's invested assets or equity assets in the relevant sector and whether or not it is expected that the relevant investor is likely to buy further Offer Shares, and/or hold or sell its Offer Shares, after the listing of the Offer Shares on the Stock Exchange. Such allocation is intended to result in a distribution of the Offer Shares on a basis which would lead to the establishment of a solid professional and institutional shareholder base to the benefit of our Company and its shareholders as a whole.

The Joint Global Coordinators (for themselves and on behalf of the International Underwriters) may require any investor who has been offered International Offer Shares under the International Offering, and who has made an application under the Hong Kong Public Offering, to provide sufficient information to the Joint Global Coordinators so as to allow it to identify the relevant applications under the Hong Kong Public Offering and to ensure that they are excluded from any application of Hong Kong Offer Shares under the Hong Kong Public Offering.

Reallocation

The total number of Offer Shares to be issued or sold pursuant to the International Offering may change as a result of the clawback arrangement described in "— The Hong Kong Public Offering — Reallocation" in this section, the exercise of the Over-allotment Option in whole or in part and/or any reallocation of unsubscribed Offer Shares originally included in the Hong Kong Public Offering to the International Offering.

Over-allotment Option

We expect to grant to the Joint Global Coordinators (for themselves and on behalf of the International Underwriters), exercisable in whole or in part by the Joint Global Coordinators at their sole and absolute discretion, the Over-allotment Option, which will be exercisable at any time and from time to time on or before the expiration of the period of 30 calendar days from the last day for the lodging of applications under the Hong Kong Public Offering, to require our Company to allot and issue up to an aggregate of 90,000,000 Shares, representing 15% of the Offer Shares initially available under the Global Offering, at the Offer Price, to cover over-allocations in the International Offering, if any. If the Over-allotment Option is exercised in full, the Offer Shares will represent approximately 16.87% of the Company's issued share capital immediately following the Capitalization Issue, completion of the Global Offering and the exercise of the Over-allotment Option without taking into account any Shares to be issued upon the exercise of option which may be granted under the Share Option Scheme. In the event that the Over-allotment Option is exercised, an announcement will be made.

STABILIZATION

Stabilization is a practice used by underwriters in some markets to facilitate the distribution of securities. To stabilize, the underwriters may bid for, or purchase, the newly issued securities in the secondary market, during a specified period of time, to reduce and, if possible, prevent any decline in the market price of the securities below the offer price. In Hong Kong and a number of other jurisdictions, activity aimed at reducing the market price is prohibited, and the price at which stabilization is effected is not permitted to exceed the offer price.

In connection with the Global Offering, the Stabilizing Manager or any person acting for it, as stabilizing manager, on behalf of the Underwriters, may, to the extent permitted by applicable laws of Hong Kong or elsewhere, over-allocate or effect transactions with a view to stabilizing or supporting the market price of our Shares at a level higher than that which might otherwise prevail for a limited period after the Listing Date. However, there is no obligation on the Stabilizing Manager, or any persons acting for it, to conduct any such stabilizing action. Such stabilization action, if commenced, may be discontinued at any time, and is required to be brought to an end within 30 days after the last day for the lodging of applications under the Hong Kong Public Offering. Should stabilizing transactions be effected in connection with the Global Offering, this will be at the absolute discretion of the Stabilizing Manager or any person acting for it.

Stabilizing action permitted in Hong Kong pursuant to the Securities and Futures (Price Stabilizing) Rules (Chapter 571W of the Laws of Hong Kong), as amended, includes (i) over-allocation for the purpose of preventing or minimizing any reduction in the market price of our Shares, (ii) selling or agreeing to sell our Shares so as to establish a short position in them for the purpose of preventing or minimizing any reduction in the market price of our Shares, (iii) purchasing or subscribing for, or agreeing to purchase or subscribe for, our Shares pursuant to the Over-allotment Option in order to close out any position established under (i) or (ii) above, (iv) purchasing, or agreeing to purchase, any of our Shares for the sole purpose of preventing or minimizing any reduction in the market price of our Shares, (v) selling or agreeing to sell any our Shares in order to liquidate any position established as a result of those purchases and (vi) offering or attempting to do anything as described in paragraph (ii), (iii), (iv) or (v).

Specifically, prospective applicants for and investors in the Offer Shares should note that:

- the Stabilizing Manager, or any person acting for it may, in connection with the stabilizing action, maintain a long position in our Shares;

- there is no certainty regarding the extent to which and the time or period for which the Stabilizing Manager, or any person acting for it, will maintain such a long position;

- liquidation of any such long position by the Stabilizing Manager, or any person acting for it, may have an adverse impact on the market price of our Shares;

- no stabilizing action can be taken to support the price of our Shares for longer than the stabilizing period which will begin on the Listing Date, and is expected to expire on the 30th day after the last day for the lodging of applications under the Hong Kong Public Offering. After this date, when no further stabilizing action may be taken, demand for our Shares, and therefore the price of our Shares, could fall;

- the price of our Shares cannot be assured to stay at or above the Offer Price by the taking of any stabilizing action; and

- stabilizing bids may be made or transactions effected in the course of the stabilizing action at any price at or below the Offer Price, which means that stabilizing bids may be made or transactions effected at a price below the price paid by applicants for, or investors in, our Shares.

Our Company will ensure or procure that an announcement in compliance with the Securities and Futures (Price Stabilizing) Rules (Chapter 571W of the laws of Hong Kong) will be made within seven days of the expiration of the stabilization period.

Over-allocation

Following any over-allocation of Shares in connection with the Global Offering, the Joint Global Coordinators, or any person acting for it may cover such over-allocation by exercising the Over-allotment Option in full or in part, by using our Shares purchased by the Stabilizing Manager, its affiliates or any person acting for it in the secondary market, that do not exceed the Offer Price, or through the stock borrowing agreement as detailed below or a combination of these means. The number of Shares which can be over-allocated will not exceed the number of Shares which may be allotted and issued pursuant to the exercise in full of the Over-allotment Option, being 90,000,000 Shares, representing 15% of the Offer Shares initially available under the Global Offering.

STOCK BORROWING AGREEMENT

In order to facilitate the settlement of over-allocations in connection with the Global Offering, the Stabilizing Manager, or any person acting for it may choose to borrow Shares from Glowing Shine under the Stock Borrowing Agreement, which is expected to be entered into between the Stabilizing Manager and Glowing Shine on or around the Price Determination Date.

The Stock Borrowing Agreement will not be subject to the restrictions of Rule 10.07(l)(a) of the Listing Rules provided that the requirements set forth in Rule 10.07(3) of the Listing Rules are to be complied with as follows:

- such stock borrowing arrangement is fully described in this Prospectus and will only be effected by the Stabilizing Manager for the sole purpose of covering any short position prior to the exercise of the Over-allotment Option in connection with the International Offering;

- the maximum number of Shares borrowed from Glowing Shine under the Stock Borrowing Agreement will be limited to the maximum number of Shares which may be issued upon exercise of the Over-allotment Option;

- the same number of Shares so borrowed must be returned to Glowing Shine or its nominees on or before the third business day following the earlier of (i) the last day on which the Over-allotment Option may be exercised, (ii) the date on which the Over-allotment Option is exercised in full and the relevant over-allocation shares have been allocated, and (iii) such earlier time as the parties may from this to time agree in writing;

- the stock borrowing arrangement under the Stock Borrowing Agreement will be effected in compliance with all applicable laws, listing rules and regulatory requirements; and

- no payment will be made to Glowing Shine by the Stabilizing Manager or its authorized agents in relation to such stock borrowing arrangement.

PRICING AND ALLOCATION

The International Underwriters will be soliciting from prospective investors indications of interest in acquiring Offer Shares in the International Offering. Prospective professional and institutional investors will be required to specify the number of Offer Shares under the International Offering they would be prepared to acquire either at different price or at a particular price. This process, known as "book-building", is expect to continue up to, and to cease on or about, the last day for lodging applications under the Hong Kong Public Offering.

The Offer Price is expected to be fixed by agreement between the Company and the Joint Global Coordinators (for themselves and on behalf of the Underwriters) on the Price Determination Date, which is expected to be on or around Wednesday, October 21, 2020 and in any event no later than Thursday, October 22, 2020.

The Offer Price will not be more than HK$4.50 per Offer Share and is expected to be not less than HK$3.50 per Offer Share unless otherwise announced, as further explained below, not later than the morning of the last day for lodging applications under the Hong Kong Public Offering. Prospective investors should be aware that the Offer Price to be determined on the Price Determination Date may be, but is not expected to be, lower than the indicative Offer Price range stated in this Prospectus.

Applicants should have regard to the possibility that any announcement of a reduction in the number of Offer Shares and/or the indicative Offer Price range may not be made until the last day for lodging applications under the Hong Kong Public Offering.

The Joint Global Coordinators (for themselves and on behalf of the other Underwriters) may, where considered appropriate, based on the level of interest expressed by prospective professional and institutional investors during the book-building process, and with the consent of our Company, reduce the number of Offer Shares and/or the indicative Offer Price range at any time on or prior to the morning of the last day for lodging applications under the Hong Kong Public Offering. In such a case, we will, as soon as practicable following the decision to make such reduction, and in any event not later than the morning of the last day for lodging applications under the Hong Kong Public Offering, cause them to be published on the website of our Company (**http://www.radiance.com.cn**) and the website of the Stock Exchange (**www.hkexnews.hk**) notices of the reduction. Upon issue of such a notice, the revised Offer Price range will be final and conclusive and the Offer Price, if agreed upon by our Company and the Joint Global Coordinators (for themselves and on behalf of the other Underwriters), will be fixed within such revised Offer Price range. Such notice will also include confirmation or revision, as appropriate, of the working capital statement and the Global Offering statistics as currently set forth in this Prospectus, and any other financial information which may change as a result of any such reduction. As soon as practicable of such reduction of the number of Offer Shares and/or the indicative Offer Price range, we will also issue a supplemental prospectus updating investors of such reduction together with an update of all financial and other information in connection with such change, where appropriate, extend the period under which the Hong Kong Public Offering was open for acceptance, and notify potential investors who had applied for the Offer Shares to confirm their applications in accordance with the procedures set out in the supplemental prospectus. If applicants have been so notified but have not confirmed their applications in accordance with the procedures to be notified, all unconfirmed applications will be deemed revoked.

In the absence of any such notice and supplemental prospectus so published, the number of Offer Shares will not be reduced and/or the Offer Price, if agreed upon between our Company and the Joint Global Coordinators (for themselves and on behalf of the Underwriters), will under no circumstances be set outside the Offer Price range stated in this Prospectus.

In the event of a reduction in the number of Offer Shares, the Joint Global Coordinators may, at its discretion, reallocate the number of Offer Shares to be offered in the Hong Kong Public Offering and the International Offering, provided that the number of Offer Shares comprised in the Hong Kong Public Offering shall not be less than 10% of the total number of Offer Shares available under the Global Offering. The Offer Shares to be offered in the Hong Kong Public Offering and the Offer Shares to be offered in the International Offering may, in certain circumstances, be reallocated between these offerings solely in the discretion of the Joint Global Coordinators.

If applications for the Offer Shares have been submitted prior to the day which is the last day for lodging applications under the Hong Kong Public Offering, such applications can be subsequently withdrawn if the number of Offer Shares and/or the indicative Offer Price range is so reduced.

The final Offer Price, the level of indications of interest in the International Offering, the level of applications in the Hong Kong Public Offering and the basis of allocations of Offer Shares under the Hong Kong Public Offering are expected to be announced on Wednesday, October 28, 2020 on the website of our Company (**http://www.radiance.com.cn**) and the website of the Stock Exchange (**www.hkexnews.hk**).

HONG KONG UNDERWRITING AGREEMENT

The Hong Kong Public Offering is fully underwritten by the Hong Kong Underwriters under the terms of the Hong Kong Underwriting Agreement and is subject to our Company and the Joint Global Coordinators (for themselves and on behalf of the Underwriters) agreeing on the Offer Price.

We expect to enter into the International Underwriting Agreement relating to the International Offering on the Price Determination Date.

The underwriting arrangements under the Hong Kong Underwriting Agreement and the International Underwriting Agreement are summarized in "Underwriting".

CONDITIONS OF THE GLOBAL OFFERING

Acceptances of all applications for Offer Shares will be conditional on:

(a) the Listing Committee granting listing of, and permission to deal in, the Offer Shares being offered pursuant to the Global Offering (including the additional Offer Shares which may be made available pursuant to the exercise of the Over-allotment Option) (subject only to allotment);

(b) the Offer Price having been agreed between our Company and the Joint Global Coordinators (for themselves and on behalf of the Underwriters) on the Price Determination Date;

(c) the execution and delivery of the International Underwriting Agreement on or about the Price Determination Date; and

(d) the obligations of the Underwriters under each of the respective Underwriting Agreements becoming and remaining unconditional and not having been terminated in accordance with the terms of the respective Underwriting Agreements,

in each case on or before the dates and times specified in the Underwriting Agreements (unless and to the extent such conditions are validly waived on or before such dates and times).

If, for any reason, the Offer Price is not agreed between our Company and the Joint Global Coordinators (for themselves and on behalf of the Underwriters) on or before Thursday, October 22, 2020, the Global Offering will not proceed and lapse.

The consummation of each of the Hong Kong Public Offering and the International Offering is conditional upon, amongst others, the other offering becoming unconditional and not having been terminated in accordance with its terms.

If the above conditions are not fulfilled or waived prior to the times and dates specified, the Global Offering will lapse and the Stock Exchange will be notified immediately. We will as soon as possible publish or cause to be published a notice of the lapse of the Hong Kong Public Offering on the website of our Company (**http://www.radiance.com.cn**) and the website of the Stock Exchange (**www.hkexnews.hk**). In such eventuality, all application monies will be returned, without interest, on the terms set forth in the paragraph headed "How to Apply for Hong Kong Offer Shares — 14. Dispatch/Collection of Share Certificates and Refund Monies". In the meantime, all application monies will be held in a separate bank account(s) with the receiving bank or other bank(s) in Hong Kong licensed under the Banking Ordinance (Chapter 155 of the Laws of Hong Kong), as amended.

Share certificates issued in respect of the Hong Kong Offer Shares will only become valid at 8:00 a.m. on the Listing Date provided that the Global Offering has become unconditional in all respects (including the Underwriting Agreements not having been terminated in accordance with their terms) at any time prior to 8:00 a.m. on the Listing Date.

APPLICATION FOR LISTING ON THE STOCK EXCHANGE

We have applied to the Listing Committee for the granting of listing of, and permission to deal in Shares in issue and to be issued (pursuant to the Capitalization Issue, the Global Offering and the exercise of the Over-allotment Option and any Shares to be issued upon the exercise of options which may be granted under the Share Option Scheme).

No part of our Company's share or loan capital is listed on or dealt in on any other stock exchange and no such listing or permission to deal is being or proposed to be sought in the near future.

SHARES WILL BE ELIGIBLE FOR ADMISSION INTO CCASS

Subject to the granting of the listing of, and permission to deal in, our Shares on the Stock Exchange and compliance with the stock admission requirements of HKSCC, our Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the date of commencement of dealings in our Shares on the Stock Exchange or on any other date HKSCC chooses. Settlement of transactions between participants of the Stock Exchange is required to take place in CCASS on the second Business Day after any trading day. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time. Investors should seek the advice of their stockbroker or other professional advisors for details of the settlement arrangements as such arrangements may affect their rights and interests. All necessary arrangements have been made enabling our Shares to be admitted into CCASS.

DEALING ARRANGEMENTS

Assuming that the Hong Kong Public Offering becomes unconditional at or before 8:00 a.m. in Hong Kong on Thursday, October 29, 2020, it is expected that dealings in our Shares on the Stock Exchange will commence at 9:00 a.m. on Thursday, October 29, 2020. Our Shares will be traded on the Main Board of the Stock Exchange in board lots of 1,000 Shares each. The stock code of our Shares will be 9993.

1. HOW TO APPLY

If you apply for Hong Kong Offer Shares, then you may not apply for or indicate an interest for International Offer Shares.

To apply for Hong Kong Offer Shares, you may:

- use a **WHITE** or **YELLOW** Application Form;
- apply online via the **HK eIPO White Form** service in the **IPO App** (which can be downloaded by searching "**IPO App**" in App Store or Google Play or downloaded at **www.hkeipo.hk/IPOApp** or **www.tricorglobal.com/IPOApp**) or at **www.hkeipo.hk**; or
- electronically cause HKSCC Nominees to apply on your behalf.

None of you or your joint applicant(s) may make more than one application, except where you are a nominee and provide the required information in your application.

Our Company, the Joint Global Coordinators, the **HK eIPO White Form** Service Provider and their respective agents may reject or accept any application in full or in part for any reason at their discretion.

2. WHO CAN APPLY

You can apply for Hong Kong Offer Shares on a **WHITE** or **YELLOW** Application Form if you or the person(s) for whose benefit you are applying:

- are 18 years of age or older;
- have a Hong Kong address;
- are outside the United States, and are not a United States Person (as defined in Regulation S under the U.S. Securities Act); and
- are not a legal or natural person of the PRC.

If you apply online through the **HK eIPO White Form** service, in addition to the above, you must also: (i) have a valid Hong Kong identity card number and (ii) provide a valid e-mail address and a contact telephone number.

If you are a firm, the application must be in the individual members' names. If you are a body corporate, the Application Form must be signed by a duly authorized officer, who must state his representative capacity, and stamped with your corporation's chop.

If an application is made by a person under a power of attorney, the Joint Global Coordinators may accept it at their discretion and on any conditions they think fit, including evidence of the attorney's authority.

The number of joint applicants may not exceed four and they may not apply by means of the **HK eIPO White Form** service for the Hong Kong Offer Shares.

Unless permitted by the Listing Rules, you cannot apply for any Hong Kong Offer Shares if you are:

- an existing beneficial owner of Shares in our Company and/or any its subsidiaries;
- a Director or chief executive officer of our Company and/or any of its subsidiaries;
- a connected person (as defined in the Listing Rules) of our Company or will become a connected person of our Company immediately upon completion of the Global Offering;
- an associate (as defined in the Listing Rules) of any of the above; and
- have been allocated or have applied for any International Offer Shares or otherwise participate in the International Offering.

3. APPLYING FOR HONG KONG OFFER SHARES

Which Application Channel to Use

For Hong Kong Offer Shares to be issued in your own name, use a **WHITE** Application Form or apply online through the **IPO App** or the designated website at **www.hkeipo.hk**.

For Hong Kong Offer Shares to be issued in the name of HKSCC Nominees and deposited directly into CCASS to be credited to your or a designated CCASS Participant's stock account, use a **YELLOW** Application Form or electronically instruct HKSCC via CCASS to cause HKSCC Nominees to apply for you.

WHERE TO COLLECT THE APPLICATION FORMS

You can collect a **WHITE** Application Form and a Prospectus during normal business hours from 9:00 a.m. on Friday, October 16, 2020 until 12:00 noon on Wednesday, October 21, 2020 from:

(i) the following office of the Hong Kong Underwriters:

ABCI Securities Company Limited
10/F, Agricultural Bank of China Tower
50 Connaught Road Central
Hong Kong

CLSA Limited
18/F, One Pacific Place
88 Queensway
Hong Kong

Haitong International Securities Company Limited
22/F, Li Po Chun Chambers
189 Des Voeux Road Central
Hong Kong

CMB International Capital Limited
45th Floor, Champion Tower
3 Garden Road
Central
Hong Kong

Guotai Junan Securities (Hong Kong) Limited
27/F, Low Block, Grand Millennium Plaza
181 Queen's Road Central
Hong Kong

GLAM Capital Limited
Room 908-911, 9/F, Nan Fung Tower
88 Connaught Road Central
Central
Hong Kong

Vision Capital International Holdings Limited
Room A01-A02, 11/F., Grand Millennium Plaza
181 Queen's Road Central
Sheung Wan
Hong Kong

AMTD Global Markets Limited
23-25/F, Nexxus Building
41 Connaught Road Central
Hong Kong

China Silver Bullet Securities Company Limited
Flat 5, 11/F, Fortune Commercial Building
362 Sha Tsui Road
Tsuen Wan
New Territories
Hong Kong

Livermore Holdings Limited
Unit 1214A, 12/F, Tower II, Cheung Sha Wan Plaza
833 Cheung Sha Wan Road
Kowloon
Hong Kong

(ii) any of the designated branches of the following receiving banks:

Hang Seng Bank Limited

District	Branch Name	Address
Hong Kong Island	Head Office	83 Des Voeux Road Central
	Wanchai Branch	1/F, Allied Kajima Building, 138 Gloucester Road
Kowloon	Tsimshatsui Branch	18 Carnarvon Road
	Kowloon Main Branch	618 Nathan Road

CMB Wing Lung Bank Limited

District	Branch Name	Address
Hong Kong Island	Kennedy Town Branch	28 Catchick Street
	North Point Branch	361 King's Road
Kowloon	Mongkok Branch	B/F CMB Wing Lung Bank Center, 636 Nathan Road

You can collect a **YELLOW** Application Form and a Prospectus during normal business hours from 9:00 a.m. on Friday, October 16, 2020 until 12:00 noon on Wednesday, October 21, 2020 from the Depository Counter of HKSCC at 1/F, One & Two Exchange Square, 8 Connaught Place, Central, Hong Kong or from your stockbroker.

Time for Lodging Application Forms

Your completed **WHITE** or **YELLOW** Application Form, together with a check or a banker's cashier order attached and marked payable to "HANG SENG (NOMINEE) LIMITED — RADIANCE HOLDINGS PUBLIC OFFER" for the payment, should be deposited in the special collection boxes provided at any of the branches of the receiving bank listed above, at the following times:

Friday, October 16, 2020 — 9:00 a.m. to 5:00 p.m.
Saturday, October 17, 2020 — 9:00 a.m. to 12:00 noon
Monday, October 19, 2020 — 9:00 a.m. to 5:00 p.m.
Tuesday, October 20, 2020 — 9:00 a.m. to 5:00 p.m.
Wednesday, October 21, 2020 — 9:00 a.m. to 12:00 noon

The application lists will be open from 11:45 a.m. to 12:00 noon on Wednesday, October 21, 2020, the last application day or such later time as described in "— 10. Effect of Bad Weather and/or Extreme Conditions on the Opening of the Application Lists" in this section.

4. TERMS AND CONDITIONS OF AN APPLICATION

Follow the detailed instructions in the Application Form carefully; otherwise, your application may be rejected.

By submitting an Application Form or applying through the **HK eIPO White Form** service, among other things, you:

(i) undertake to execute all relevant documents and instruct and authorize our Company and/or the Joint Global Coordinators (or their agents or nominees), as agents of our Company, to execute any documents for you and to do on your behalf all things necessary to register any Hong Kong Offer Shares allocated to you in your name or in the name of HKSCC Nominees as required by the Articles of Association;

(ii) agree to comply with the Companies (Winding Up and Miscellaneous Provisions) Ordinance and the Articles of Association;

(iii) confirm that you have read the terms and conditions and application procedures set out in this Prospectus, in the Application Form, in the **IPO App** and on the designated website under the **HK eIPO White Form** service, and agree to be bound by them;

(iv) confirm that you have received and read this Prospectus and have only relied on the information and representations contained in this Prospectus in making your application and will not rely on any other information or representations except those in any supplement to this Prospectus;

(v) confirm that you are aware of the restrictions on the Global Offering in this Prospectus;

(vi) agree that none of our Company, the Joint Sponsors, the Joint Global Coordinators, the Joint Bookrunners, the Joint Lead Managers, the Underwriters, their respective directors, officers, employees, partners, agents, advisors and any other parties involved in the Global Offering is or will be liable for any information and representations not in this Prospectus (and any supplement to it);

(vii) undertake and confirm that you or the person(s) for whose benefit you have made the application have not applied for or taken up, or indicated an interest for, and will not apply for or take up, or indicate an interest for, any International Offer Shares under the International Offering nor participated in the International Offering;

(viii) agree to disclose to our Company, our Hong Kong Share Registrar, receiving banks, the Joint Sponsors, the Joint Global Coordinators, the Joint Bookrunners, the Joint Lead Managers, the Underwriters and/or their respective advisors and agents any personal data which they may require about you and the person(s) for whose benefit you have made the application;

(ix) if the laws of any place outside Hong Kong apply to your application, agree and warrant that you have complied with all such laws and none of our Company, the Joint Sponsors, the Joint Global Coordinators, the Joint Bookrunners, the Joint Lead Managers, and the Underwriters nor any of their respective officers or advisors will breach any law outside Hong Kong as a result of the acceptance of your offer to purchase, or any action arising from your rights and obligations under the terms and conditions contained in this Prospectus, in the Application Form, in the **IPO App** and on the designated website under the **HK eIPO White Form** service;

(x) agree that once your application has been accepted, you may not rescind it because of an innocent misrepresentation;

(xi) agree that your application will be governed by the laws of Hong Kong;

(xii) represent, warrant and undertake that (i) you understand that the Hong Kong Offer Shares have not been and will not be registered under the U.S. Securities Act; and (ii) you and any person for whose benefit you are applying for the Hong Kong Offer Shares are outside the United States (as defined in Regulation S) or are a person described in paragraph (h)(3) of Rule 902 of Regulation S;

(xiii) warrant that the information you have provided is true and accurate;

(xiv) agree to accept the Hong Kong Offer Shares applied for, or any lesser number allocated to you under the application;

(xv) authorize our Company to place your name(s) or the name of the HKSCC Nominees, on our Company's register of members as the holder(s) of any Hong Kong Offer Shares allocated to you, and our Company and/or its agents to send any Share certificate(s) and/or any e-Auto Refund payment instructions and/or any refund check(s) to you or the first-named applicant for joint application by ordinary post at your own risk to the address stated on the application, unless you have fulfilled the criteria mentioned in "— 14. Dispatch/Collection of Share Certificates and Refund Monies — Personal Collection" section in this Prospectus to collect Share certificate(s) and/or refund check(s) in person;

(xvi) declare and represent that this is the only application made and the only application intended by you to be made to benefit you or the person for whose benefit you are applying;

(xvii) understand that our Company and the Joint Global Coordinators will rely on your declarations and representations in deciding whether or not to make any allotment of any of the Hong Kong Offer Shares to you and that you may be prosecuted for making a false declaration;

(xviii) (if the application is made for your own benefit) warrant that no other application has been or will be made for your benefit on a **WHITE** or **YELLOW** Application Form or by giving **electronic application instructions** to HKSCC or to the **HK eIPO White Form** Service Provider by you or by any one as your agent or by any other person; and

(xix) (if you are making the application as an agent for the benefit of another person) warrant that (i) no other application has been or will be made by you as agent for or for the benefit of that person or by that person or by any other person as agent for that person on a **WHITE** or **YELLOW** Application Form or by giving **electronic application instructions** to HKSCC; and (ii) you have due authority to sign the Application Form or give **electronic application instructions** on behalf of that other person as their agent.

Additional Instructions for YELLOW Application Form

You may refer to the **YELLOW** Application Form for details.

5. APPLYING THROUGH THE HK eIPO WHITE FORM SERVICE

General

Individuals who meet the criteria in the "— 2. Who can apply" section, may apply through the **HK eIPO White Form** service for the Hong Kong Offer Shares to be allotted and registered in their own names through the **IPO App** or the designated website at **www.hkeipo.hk**.

Detailed instructions for application through the **HK eIPO White Form** service are in the **IPO App** or on the designated website. If you do not follow the instructions, your application may be rejected and may not be submitted to our Company. If you apply through the **IPO App** or the designated website, you authorize the **HK eIPO White Form** Service Provider to apply on the terms and conditions in this Prospectus, as supplemented and amended by the terms and conditions of the **HK eIPO White Form** service.

Time for Submitting Applications under the HK eIPO White Form Service

You may submit your application to the **HK eIPO White Form** Service Provider through the **IPO App** or the designated website at **www.hkeipo.hk** (24 hours daily, except on the last application day) from 9:00 a.m. on Friday, October 16, 2020 until 11:30 a.m. on Wednesday, October 21, 2020 and the latest time for completing full payment of application monies in respect of such applications will be 12:00 noon on Wednesday, October 21, 2020 or such later time under the "— 10. Effect of Bad Weather and/or Extreme Conditions on the Opening of the Application Lists" section.

No Multiple Applications

If you apply by means of the **HK eIPO White Form** service, once you complete payment in respect of any **electronic application instruction** given by you or for your benefit through the **HK eIPO White Form** service to make an application for Hong Kong Offer Shares, an actual application shall be deemed to have been made. For the avoidance of doubt, giving an **electronic application instruction** under the **HK eIPO White Form** service more than once and obtaining different application reference numbers without effecting full payment in respect of a particular reference number will not constitute an actual application.

If you are suspected of submitting more than one application through the **HK eIPO White Form** service or by any other means, all of your applications are liable to be rejected.

Section 40 of the Companies (Winding Up and Miscellaneous Provisions) Ordinance

For the avoidance of doubt, our Company and all other parties involved in the preparation of this Prospectus acknowledge that each applicant who gives or causes to give **electronic application instructions** is a person who may be entitled to compensation under Section 40 of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (as applied by Section 342E of the Companies (Winding Up and Miscellaneous Provisions) Ordinance).

6. APPLYING BY GIVING ELECTRONIC APPLICATION INSTRUCTIONS TO HKSCC VIA CCASS

General

CCASS Participants may give **electronic application instructions** to apply for the Hong Kong Offer Shares and to arrange payment of the money due on application and payment of refunds under their participant agreements with HKSCC and the General Rules of CCASS and the CCASS Operational Procedures.

If you are a CCASS Investor Participant, you may give these **electronic application instructions** through the CCASS Phone System by calling +852 2979 7888 or through the CCASS Internet System (**https://ip.ccass.com**) (using the procedures in HKSCC's "An Operating Guide for Investor Participants" in effect from time to time).

HKSCC can also input **electronic application instructions** for you if you go to:

Hong Kong Securities Clearing Company Limited
Customer Service Center, 1/F, One & Two Exchange Square,
8 Connaught Place, Central, Hong Kong

and complete an input request form.

You can also collect a Prospectus from this address.

If you are not a CCASS Investor Participant, you may instruct your broker or custodian who is a CCASS Clearing Participant or a CCASS Custodian Participant to give **electronic application instructions** via CCASS terminals to apply for the Hong Kong Offer Shares on your behalf.

You will be deemed to have authorized HKSCC and/or HKSCC Nominees to transfer the details of your application to our Company, the Joint Global Coordinators and our Hong Kong Share Registrar.

Giving electronic application instructions to HKSCC via CCASS

Where you have given **electronic application instructions** to apply for the Hong Kong Offer Shares and a **WHITE** Application Form is signed by HKSCC Nominees on your behalf:

(i) HKSCC Nominees will only be acting as a nominee for you and are not liable for any breach of the terms and conditions of the **WHITE** Application Form or this Prospectus;

(ii) HKSCC Nominees will do the following things on your behalf:

- agree that the Hong Kong Offer Shares to be allotted shall be issued in the name of HKSCC Nominees and deposited directly into CCASS for the credit of the CCASS Participant's stock account on your behalf or your CCASS Investor Participant's stock account;

- agree to accept the Hong Kong Offer Shares applied for or any lesser number allocated;

- undertake and confirm that you have not applied for or taken up, will not apply for or take up, or indicate an interest for, any International Offer Shares under the International Offering;
- (if the **electronic application instructions** are given for your benefit) declare that only one set of **electronic application instructions** has been given for your benefit;
- (if you are an agent for another person) declare that you have only given one set of **electronic application instructions** for the other person's benefit and are duly authorized to give those instructions as their agent;
- confirm that you understand that our Company, our Directors and the Joint Global Coordinators will rely on your declarations and representations in deciding whether or not to make any allotment of any of the Hong Kong Offer Shares to you and that you may be prosecuted if you make a false declaration;
- authorize our Company to place HKSCC Nominees' name on our Company's register of members as the holder of the Hong Kong Offer Shares allocated to you and to send Share certificate(s) and/ or refund monies under the arrangements separately agreed between us and HKSCC;
- confirm that you have read the terms and conditions and application procedures set out in this Prospectus and agree to be bound by them;
- confirm that you have received and/or read a copy of this Prospectus and have relied only on the information and representations in this Prospectus in causing the application to be made, save as set out in any supplement to this Prospectus;
- agree that none of our Company, the Joint Sponsors, the Joint Global Coordinators, the Joint Bookrunners, the Joint Lead Managers, the Underwriters, their respective directors, officers, employees, partners, agents, advisors and any other parties involved in the Global Offering, is or will be liable for any information and representations not contained in this Prospectus (and any supplement to it);
- agree to disclose your personal data to our Company, our Hong Kong Share Registrar, receiving banks, the Joint Sponsors, the Joint Global Coordinators, the Joint Bookrunners, the Joint Lead Managers, the Underwriters and/or its respective advisors and agents;
- agree (without prejudice to any other rights which you may have) that once HKSCC Nominees' application has been accepted, it cannot be rescinded for innocent misrepresentation;
- agree that any application made by HKSCC Nominees on your behalf is irrevocable before the fifth day after the time of the opening of the application lists (excluding any day which is Saturday, Sunday or public holiday in Hong Kong), such agreement to take effect as a collateral contract with us and to become binding when you give the instructions and such collateral contract to be in consideration of our Company agreeing that it will not offer any Hong Kong Offer Shares to any person before the fifth day after the time of the opening of the application lists (excluding any day which is Saturday, Sunday or public holiday in Hong Kong), except by means of one of the procedures referred to in this Prospectus. However, HKSCC Nominees may revoke the application before the fifth day after the time of the opening of the application lists (excluding for this purpose any day which is a Saturday, Sunday or public holiday in Hong Kong) if a person responsible for this Prospectus under Section 40 of the Companies (Winding Up and Miscellaneous Provisions) Ordinance gives a public notice under that section which excludes or limits that person's responsibility for this Prospectus;

- agree that once HKSCC Nominees' application is accepted, neither that application nor your **electronic application instructions** can be revoked, and that acceptance of that application will be evidenced by our Company's announcement of the Hong Kong Public Offering results;

- agree to the arrangements, undertakings and warranties under the participant agreement between you and HKSCC, read with the General Rules of CCASS and the CCASS Operational Procedures, for the giving **electronic application instructions** to apply for Hong Kong Offer Shares;

- agree with our Company, for itself and for the benefit of each Shareholder (and so that our Company will be deemed by its acceptance in whole or in part of the application by HKSCC Nominees to have agreed, for itself and on behalf of each of the Shareholders, with each CCASS Participant giving **electronic application instructions**) to observe and comply with the Companies (Winding Up and Miscellaneous Provisions) Ordinance and the Articles of Association; and

- agree that your application, any acceptance of it and the resulting contract will be governed by the Laws of Hong Kong.

Effect of Giving electronic application instructions to HKSCC via CCASS

By giving **electronic application instructions** to HKSCC or instructing your broker or custodian who is a CCASS Clearing Participant or a CCASS Custodian Participant to give such instructions to HKSCC, you (and, if you are joint applicants, each of you jointly and severally) are deemed to have done the following things. Neither HKSCC nor HKSCC Nominees shall be liable to our Company or any other person in respect of the things mentioned below:

- instructed and authorized HKSCC to cause HKSCC Nominees (acting as nominee for the relevant CCASS Participants) to apply for the Hong Kong Offer Shares on your behalf;

- instructed and authorized HKSCC to arrange payment of the maximum Offer Price, brokerage, SFC transaction levy and the Stock Exchange trading fee by debiting your designated bank account and, in the case of a wholly or partially unsuccessful application and/or if the Offer Price is less than the maximum Offer Price per Offer Share initially paid on application, refund of the application monies (including brokerage, SFC transaction levy and the Stock Exchange trading fee) by crediting your designated bank account; and

- instructed and authorized HKSCC to cause HKSCC Nominees to do on your behalf all the things stated in the **WHITE** Application Form and in this Prospectus.

Minimum Purchase Amount and Permitted Numbers

You may give or cause your broker or custodian who is a CCASS Clearing Participant or a CCASS Custodian Participant to give **electronic application instructions** for a minimum of 1,000 Hong Kong Offer Shares. Instructions for more than 1,000 Hong Kong Offer Shares must be in one of the numbers set out in the table in the Application Forms. No application for any other number of Hong Kong Offer Shares will be considered and any such application is liable to be rejected.

Time for Inputting electronic application instructions[1]

CCASS Clearing/Custodian Participants can input **electronic application instructions** at the following times on the following dates:

Friday, October 16, 2020 — 9:00 a.m. to 8:30 p.m.
Monday, October 19, 2020 — 8:00 a.m. to 8:30 p.m.
Tuesday, October 20, 2020 — 8:00 a.m. to 8:30 p.m.
Wednesday, October 21, 2020 — 8:00 a.m. to 12:00 noon

CCASS Investor Participants can input **electronic application instructions** from 9:00 a.m. on Friday, October 16, 2020 until 12:00 noon on Wednesday, October 21, 2020 (24 hours daily, except on Wednesday, October 21, the last application day).

The latest time for inputting your **electronic application instructions** will be 12:00 noon on Wednesday, October 21, 2020, the last application day or such later time as described in "— 10. Effect of Bad Weather and/or Extreme Conditions on the Opening of the Application Lists" in this section.

Note:

(1) These times in this sub-section are subject to change as HKSCC may determine from time to time with prior notification to CCASS Clearing/Custodian Participants and/or CCASS Investor Participants.

No Multiple Applications

If you are suspected of having made multiple applications or if more than one application is made for your benefit, the number of Hong Kong Offer Shares applied for by HKSCC Nominees will be automatically reduced by the number of Hong Kong Offer Shares for which you have given such instructions and/or for which such instructions have been given for your benefit. Any **electronic application instructions** to make an application for the Hong Kong Offer Shares given by you or for your benefit to HKSCC shall be deemed to be an actual application for the purposes of considering whether multiple applications have been made.

Section 40 of the Companies (Winding Up and Miscellaneous Provisions) Ordinance

For the avoidance of doubt, our Company and all other parties involved in the preparation of this Prospectus acknowledge that each CCASS Participant who gives or causes to give **electronic application instructions** is a person who may be entitled to compensation under Section 40 of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (as applied by Section 342E of the Companies (Winding Up and Miscellaneous Provisions) Ordinance).

Personal Data

The section of the Application Form headed "Personal Data" applies to any personal data held by our Company, our Hong Kong Share Registrar, the receiving banks, the Joint Global Coordinators, the Underwriters and any of their respective advisors and agents about you in the same way as it applies to personal data about applicants other than HKSCC Nominees.

7. WARNING FOR ELECTRONIC APPLICATIONS

The subscription of the Hong Kong Offer Shares by giving **electronic application instructions** to HKSCC is only a facility provided to CCASS Participants. Similarly, the application for Hong Kong Offer Shares through the **HK eIPO White Form** service is also only a facility provided by the **HK eIPO White Form** Service Provider to public investors. Such facilities are subject to capacity limitations and potential service interruptions and you are advised not to wait until the last application day in making your electronic applications. Our Company, our Directors, the Joint Sponsors, the Joint Global Coordinators, the Joint Bookrunners, the Joint Lead Managers, and the Underwriters take no responsibility for such applications and provide no assurance that any CCASS Participant or person applying through the **HK eIPO White Form** service will be allotted any Hong Kong Offer Shares.

To ensure that CCASS Investor Participants can give their **electronic application instructions**, they are advised not to wait until the last minute to input their instructions to the systems. In the event that CCASS Investor Participants have problems in the connection to CCASS Phone System/CCASS Internet System for submission of **electronic application instructions**, they should either (i) submit a **WHITE** or **YELLOW** Application Form, or (ii) go to HKSCC's Customer Service Center to complete an input request form for **electronic application instructions** before 12:00 noon on Wednesday, October 21, 2020.

8. HOW MANY APPLICATIONS CAN YOU MAKE

Multiple applications for the Hong Kong Offer Shares are not allowed except by nominees. If you are a nominee, in the box on the Application Form marked "For nominees" you must include:

- an account number; or

- some other identification code,

for each beneficial owner or, in the case of joint beneficial owners, for each joint beneficial owner. If you do not include this information, the application will be treated as being made for your benefit.

All of your applications will be rejected if more than one application on a **WHITE** or **YELLOW** Application Form or by giving **electronic application instructions** to HKSCC or through the **HK eIPO White Form** service, is made for your benefit (including the part of the application made by HKSCC Nominees acting on **electronic application instructions**). If an application is made by an unlisted company and:

- the principal business of that company is dealing in securities; and

- you exercise statutory control over that company,

then the application will be treated as being for your benefit.

"Unlisted company" means a company with no equity securities listed on the Stock Exchange.

"Statutory control" means you:

- control the composition of the board of directors of the company;

- control more than half of the voting power of the company; or

- hold more than half of the issued share capital of the company (not counting any part of it which carries no right to participate beyond a specified amount in a distribution of either profits or capital).

9. HOW MUCH ARE THE HONG KONG OFFER SHARES

The **WHITE** and **YELLOW** Application Forms have tables showing the exact amount payable for Shares.

You must pay the maximum Offer Price, brokerage, SFC transaction levy and the Stock Exchange trading fee in full upon application for Shares under the terms set out in the Application Forms.

You may submit an application using a **WHITE** or **YELLOW** Application Form or through the **HK eIPO White Form** service in respect of a minimum of 1,000 Hong Kong Offer Shares. Each application or **electronic application instruction** in respect of more than 1,000 Hong Kong Offer Shares must be in one of the numbers set out in the table in the Application Form, or as otherwise specified in the **IPO App** or on the designated website at **www.hkeipo.hk**.

If your application is successful, brokerage will be paid to the Exchange Participants, and the SFC transaction levy and the Stock Exchange trading fee are paid to the Stock Exchange (in the case of the SFC transaction levy, collected by the Stock Exchange on behalf of the SFC).

For further details on the Offer Price, see "Structure of the Global Offering — Pricing and Allocation".

10. EFFECT OF BAD WEATHER AND/OR EXTREME CONDITIONS ON THE OPENING OF THE APPLICATION LISTS

The application lists will not open if there is:

- a tropical cyclone warning signal number 8 or above;

- a "black" rainstorm warning; and/or

- Extreme Conditions,

in force in Hong Kong at any time between 9:00 a.m. and 12:00 noon on Wednesday, October 21, 2020. Instead they will open between 11:45 a.m. and 12:00 noon on the next business day which does not have either of those warnings and/or Extreme Conditions in Hong Kong in force at any time between 9:00 a.m. and 12:00 noon.

If the application lists do not open and close on Wednesday, October 21, 2020 or if there is a tropical cyclone warning signal number 8 or above or a "black" rainstorm warning signal and/or Extreme Conditions in force in Hong Kong that may affect the dates mentioned in "Expected Timetable", an announcement will be made in such event.

11. PUBLICATION OF RESULTS

Our Company expects to announce the final Offer Price, the level of indication of interest in the International Offering, the level of applications in the Hong Kong Public Offering and the basis of allocation of the Hong Kong Offer Shares on Wednesday, October 28, 2020 on our Company's website at **http://www.radiance.com.cn** and the website of the Stock Exchange at **www.hkexnews.hk**.

The results of allocations and the Hong Kong identity card/passport/Hong Kong business registration numbers of successful applicants under the Hong Kong Public Offering will be available at the times and date and in the manner specified below:

- in the announcement to be posted on our Company's website at **http://www.radiance.com.cn** and the Stock Exchange's website at **www.hkexnews.hk** by no later than 8:00 a.m. on Wednesday, October 28, 2020;

- from the "IPO Results" function in the **IPO App** or the designated results of allocations website at **www.tricor.com.hk/ipo/result** or **www.hkeipo.com.hk/IPOResult** with a "search by ID" function on a 24-hour basis from 8:00 a.m. on Wednesday, October 28, 2020 to 12:00 midnight on Tuesday, November 3, 2020;

- by telephone enquiry line by calling +852 3691 8488 between 9:00 a.m. and 6:00 p.m. from Wednesday, October 28, 2020 to Monday, November 2, 2020 (excluding Saturday, Sunday and public holiday in Hong Kong);

- in the special allocation results booklets which will be available for inspection during opening hours on Wednesday, October 28, 2020, to Friday, October 30, 2020 at all the receiving banks' designated branches.

If our Company accepts your offer to purchase (in whole or in part), which it may do by announcing the basis of allocations and/or making available the results of allocations publicly, there will be a binding contract under which you will be required to purchase the Hong Kong Offer Shares if the conditions of the Global Offering are satisfied and the Global Offering is not otherwise terminated. Further details are contained in "Structure of the Global Offering".

You will not be entitled to exercise any remedy of rescission for innocent misrepresentation at any time after acceptance of your application. This does not affect any other right you may have.

12. CIRCUMSTANCES IN WHICH YOU WILL NOT BE ALLOTTED OFFER SHARES

You should note the following situations in which the Hong Kong Offer Shares will not be allotted to you:

(i) If your application is revoked:

By completing and submitting an Application Form or giving **electronic application instructions** to HKSCC or to the **HK eIPO White Form** Service Provider, you agree that your application or the application made by HKSCC Nominees on your behalf cannot be revoked on or before the fifth day after the time of the opening of the application lists (excluding for this purpose any day which is Saturday, Sunday or public holiday in Hong Kong). This agreement will take effect as a collateral contract with our Company.

Your application or the application made by HKSCC Nominees on your behalf may only be revoked on or before such fifth day if a person responsible for this Prospectus under Section 40 of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (as applied by Section 342E of the Companies (Winding Up and Miscellaneous Provisions) Ordinance) gives a public notice under that section which excludes or limits that person's responsibility for this Prospectus.

If any supplement to this Prospectus is issued, applicants who have already submitted an application will be notified that they are required to confirm their applications. If applicants have been so notified but have not confirmed their applications in accordance with the procedure to be notified, all unconfirmed applications will be deemed revoked.

If your application or the application made by HKSCC Nominees on your behalf has been accepted, it cannot be revoked. For this purpose, acceptance of applications which are not rejected will be constituted by notification in the press of the results of allocation, and where such basis of allocation is subject to certain conditions or provides for allocation by ballot, such acceptance will be subject to the satisfaction of such conditions or results of the ballot respectively.

(ii) If our Company or its agents exercise their discretion to reject your application:

Our Company, the Joint Global Coordinators, the **HK eIPO White Form** Service Provider and their respective agents and nominees have full discretion to reject or accept any application, or to accept only part of any application, without giving any reasons.

(iii) If the allotment of Hong Kong Offer Shares is void:

The allotment of Hong Kong Offer Shares will be void if the Listing Committee of the Stock Exchange does not grant permission to list our Shares either:

- within three weeks from the closing date of the application lists; or
- within a longer period of up to six weeks if the Listing Committee notifies the Company of that longer period within three weeks of the closing date of the application lists.

(iv) If:

- you make multiple applications or suspected multiple applications;
- you or the person for whose benefit you are applying have applied for or taken up, or indicated an interest for, or have been or will be placed or allocated (including conditionally and/or provisionally) Hong Kong Offer Shares and International Offer Shares;
- your Application Form is not completed in accordance with the stated instructions;

- your **electronic application instructions** through the **HK eIPO White Form** service are not completed in accordance with the instructions, terms and conditions in the **IPO App** or on the designated website;

- your payment is not made correctly or the check or banker's cashier order paid by you is dishonored upon its first presentation;

- the Underwriting Agreements do not become unconditional or are terminated;

- our Company or the Joint Global Coordinators believe that by accepting your application, it or they would violate applicable securities or other laws, rules or regulations; or

- your application is for more than 50.0% of the Hong Kong Offer Shares initially offered under the Hong Kong Public Offering.

13. REFUND OF APPLICATION MONIES

If an application is rejected, not accepted or accepted in part only, or if the Offer Price as finally determined is less than the maximum Offer Price per Offer Share (excluding brokerage, SFC transaction levy and the Stock Exchange trading fee thereon), or if the conditions of the Hong Kong Public Offering are not fulfilled in accordance with "Structure of the Global Offering — The Hong Kong Public Offering" or if any application is revoked, the application monies, or the appropriate portion thereof, together with the related brokerage, SFC transaction levy and the Stock Exchange trading fee, will be refunded, without interest or the check or banker's cashier order will not be cleared.

Any refund of your application monies will be made on or before Wednesday, October 28, 2020.

14. DISPATCH/COLLECTION OF SHARE CERTIFICATES AND REFUND MONIES

You will receive one Share certificate for all Hong Kong Offer Shares allotted to you under the Hong Kong Public Offering (except pursuant to applications made on **YELLOW** Application Forms or by **electronic application instructions** to HKSCC via CCASS where the Share certificates will be deposited into CCASS as described below).

No temporary document of title will be issued in respect of our Shares. No receipt will be issued for sums paid on application. If you apply by a **WHITE** or **YELLOW** Application Form, subject to personal collection as mentioned below, the following will be sent to you (or, in the case of joint applicants, to the first-named applicant) by ordinary post, at your own risk, to the address specified on the Application Form:

- Share certificate(s) for all the Hong Kong Offer Shares allotted to you (for **YELLOW** Application Forms, Share certificates will be deposited into CCASS as described below); and

- refund check(s) crossed "Account Payee Only" in favor of the applicant (or, in the case of joint applicants, the first-named applicant) for (i) all or the surplus application monies for the Hong Kong Offer Shares, wholly or partially unsuccessfully applied for; and/or (ii) the difference between the Offer Price and the maximum Offer Price per Offer Share paid on application in the event that the Offer Price is less than the maximum Offer Price (including brokerage, SFC transaction levy and the

Stock Exchange trading fee but without interest). Part of the Hong Kong identity card number/ passport number, provided by you or the first named applicant (if you are joint applicants), may be printed on your refund check, if any. Your banker may require verification of your Hong Kong identity card number/passport number before encashment of your refund check(s). Inaccurate completion of your Hong Kong identity card number/passport number may invalidate or delay encashment of your refund check(s).

Subject to arrangement on dispatch/collection of Share certificates and refund monies as mentioned below, any refund checks and Share certificates are expected to be posted on or before Wednesday, October 28, 2020. The right is reserved to retain any Share certificate(s) and any surplus application monies pending clearance of check(s) or banker's cashier's order(s).

Share certificates will only become valid at 8:00 a.m. on Thursday, October 29, 2020 provided that the Global Offering has become unconditional and the right of termination described in "Underwriting" has not been exercised. Investors who trade Shares prior to the receipt of Share certificates or the Share certificates becoming valid do so at their own risk.

Personal Collection

(i) If you apply using a WHITE Application Form

If you apply for 1,000,000 or more Hong Kong Offer Shares and have provided all information required by your Application Form, you may collect your refund check(s) and/or Share certificate(s) from our Hong Kong Share Registrar, Tricor Investor Services Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong, from 9:00 a.m. to 1:00 p.m. on Wednesday, October 28, 2020 or such other date as notified by us.

If you are an individual who is eligible for personal collection, you must not authorize any other person to collect for you. If you are a corporate applicant which is eligible for personal collection, your authorized representative must bear a letter of authorization from your corporation stamped with your corporation's chop. Both individuals and authorized representatives must produce, at the time of collection, evidence of identity acceptable to our Hong Kong Share Registrar.

If you do not collect your refund check(s) and/or Share certificate(s) personally within the time specified for collection, they will be dispatched promptly to the address specified in your Application Form on or before Wednesday, October 28, 2020, by ordinary post at your own risk.

If you apply for less than 1,000,000 Hong Kong Offer Shares, your refund check(s) and/or Share certificate(s) will be sent to the address on the relevant Application Form on or before Wednesday, October 28, 2020 by ordinary post and at your own risk.

(ii) If you apply using a YELLOW Application Form

If you apply for 1,000,000 Hong Kong Offer Shares or more, please follow the same instructions as described above for collection of refund check(s). If you have applied for less than 1,000,000 Hong Kong Offer Shares, your refund check(s) will be sent to the address on the relevant Application Form on or before Wednesday, October 28, 2020, by ordinary post and at your own risk.

If you apply by using a **YELLOW** Application Form and your application is wholly or partially successful, your Share certificate(s) will be issued in the name of HKSCC Nominees and deposited into CCASS for credit to your or the designated CCASS Participant's stock account as stated in your Application Form on Wednesday, October 28, 2020, or upon contingency, on any other date determined by HKSCC or HKSCC Nominees.

- *If you apply through a designated CCASS Participant (other than a CCASS Investor Participant)*

For Hong Kong Offer Shares credited to your designated CCASS Participant's stock account (other than CCASS Investor Participant), you can check the number of Hong Kong Offer Shares allotted to you with that CCASS Participant.

- *If you are applying as a CCASS Investor Participant*

Our Company will publish the results of CCASS Investor Participants' applications together with the results of the Hong Kong Public Offering in the manner described in "11. Publication of Results" above. You should check the announcement published by our Company and report any discrepancies to HKSCC before 5:00 p.m. on Wednesday, October 28, 2020 or any other date as determined by HKSCC or HKSCC Nominees. Immediately after the credit of the Hong Kong Offer Shares to your stock account, you can check your new account balance via the CCASS Phone System and CCASS Internet System.

(iii) **If you apply through the HK eIPO White Form service**

If you apply for 1,000,000 Hong Kong Offer Shares or more and your application is wholly or partially successful, you may collect your Share certificate(s) from our Hong Kong Share Registrar, Tricor Investor Services Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong, from 9:00 a.m. to 1:00 p.m. on Wednesday, October 28, 2020 or such other date as notified by our Company as the date of dispatch/ collection of Share certificates/e-Auto Refund payment instructions/refund checks.

If you do not collect your Share certificate(s) personally within the time specified for collection, they will be sent to the address specified in your application instructions by ordinary post at your own risk.

If you apply for less than 1,000,000 Hong Kong Offer Shares, your Share certificate(s) (where applicable) will be sent to the address specified in your application instructions on or before Wednesday, October 28, 2020 by ordinary post at your own risk.

If you apply and pay the application monies from a single bank account, any refund monies will be dispatched to that bank account in the form of e-Auto Refund payment instructions. If you apply and pay the application monies from multiple bank accounts, any refund monies will be dispatched to the address as specified in your application instructions in the form of refund check(s) by ordinary post at your own risk.

(iv) If you apply via electronic application instructions to HKSCC

Allocation of Hong Kong Offer Shares

For the purposes of allocating Hong Kong Offer Shares, HKSCC Nominees will not be treated as an applicant. Instead, each CCASS Participant who gives **electronic application instructions** or each person for whose benefit instructions are given will be treated as an applicant.

Deposit of Share Certificates into CCASS and Refund of Application Monies

- If your application is wholly or partially successful, your Share certificate(s) will be issued in the name of HKSCC Nominees and deposited into CCASS for the credit of your designated CCASS Participant's stock account or your CCASS Investor Participant stock account on Wednesday, October 28, 2020, or, on any other date determined by HKSCC or HKSCC Nominees.

- Our Company expects to publish the application results of CCASS Participants (and where the CCASS Participant is a broker or custodian, our Company will include information relating to the relevant beneficial owner), your Hong Kong identity card number/passport number or other identification code (Hong Kong business registration number for corporations) and the basis of allotment of the Hong Kong Public Offering in the manner specified in "11. Publication of Results" above on Wednesday, October 28, 2020. You should check the announcement published by our Company and report any discrepancies to HKSCC before 5:00 p.m. on Wednesday, October 28, 2020 or such other date as determined by HKSCC or HKSCC Nominees.

- If you have instructed your broker or custodian to give **electronic application instructions** on your behalf, you can also check the number of Hong Kong Offer Shares allotted to you and the amount of refund monies (if any) payable to you with that broker or custodian.

- If you have applied as a CCASS Investor Participant, you can also check the number of Hong Kong Offer Shares allotted to you and the amount of refund monies (if any) payable to you via the CCASS Phone System and the CCASS Internet System (under the procedures contained in HKSCC's "An Operating Guide for Investor Participants" in effect from time to time) on Wednesday, October 28, 2020. Immediately following the credit of the Hong Kong Offer Shares to your stock account and the credit of refund monies to your bank account, HKSCC will also make available to you an activity statement showing the number of Hong Kong Offer Shares credited to your CCASS Investor Participant stock account and the amount of refund monies (if any) credited to your designated bank account.

- Refund of your application monies (if any) in respect of wholly and partially unsuccessful applications and/or difference between the Offer Price and the maximum Offer Price per Offer Share initially paid on application (including brokerage, SFC transaction levy and the Stock Exchange trading fee but without interest) will be credited to your designated bank account or the designated bank account of your broker or custodian on Wednesday, October 28, 2020.

15. ADMISSION OF OUR SHARES INTO CCASS

If the Stock Exchange grants the listing of, and permission to deal in, our Shares and we comply with the stock admission requirements of HKSCC, our Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the date of commencement of dealings in our Shares or any other date HKSCC chooses. Settlement of transactions between Exchange Participants (as defined in the Listing Rules) is required to take place in CCASS on the second Business Day after any trading day.

All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time.

Investors should seek the advice of their stockbroker or other professional advisors for details of the settlement arrangement as such arrangements may affect their rights and interests.

All necessary arrangements have been made enabling our Shares to be admitted into CCASS.

The following is the text of a report on the financial information of Radiance Holdings (Group) Company Limited, prepared for the purpose of incorporation in this prospectus received from the reporting accountants of the Company, Ernst & Young, Certified Public Accountants, Hong Kong.

22/F, CITIC Tower
1 Tim Mei Avenue
Central, Hong Kong

The Directors
Radiance Holdings (Group) Company Limited
ABCI Capital Limited
CLSA Capital Markets Limited
Haitong International Capital Limited

Dear Sirs,

We report on the historical financial information of Radiance Holdings (Group) Company Limited (the "Company") and its subsidiaries (together, the "Group") set out on pages I-4 to I-108 which comprises the consolidated statements of profit or loss and other comprehensive income, the consolidated statements of changes in equity and the consolidated statements of cash flows of the Group for each of the years ended December 31, 2017, 2018 and 2019, and the four months ended April 30, 2020 (the "Relevant Periods"), and the consolidated statements of financial position of the Group as at December 31, 2017, 2018 and 2019 and April 30, 2020 and the statements of financial position of the Company as at December 31, 2019 and April 30, 2020 and a summary of significant accounting policies and other explanatory information (together, the "Historical Financial Information"). The Historical Financial Information set out on pages I-4 to I-108 forms an integral part of this report, which has been prepared for inclusion in the prospectus of the Company dated October 16, 2020 (the "Prospectus") in connection with the initial listing of the shares of the Company on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange").

Directors' responsibility for the Historical Financial Information

The directors of the Company are responsible for the preparation of the Historical Financial Information that gives a true and fair view in accordance with the basis of presentation and the basis of preparation set out in notes 2.1 and 2.2 to the Historical Financial Information, respectively, and for such internal control as the directors determine is necessary to enable the preparation of the Historical Financial Information that is free from material misstatement, whether due to fraud or error.

Reporting accountants' responsibility

Our responsibility is to express an opinion on the Historical Financial Information and to report our opinion to you. We conducted our work in accordance with Hong Kong Standard on Investment Circular Reporting Engagements 200 *Accountants' Reports on Historical Financial Information in Investment Circulars* issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"). This standard requires that we comply with ethical standards and plan and perform our work to obtain reasonable assurance about whether the Historical Financial Information is free from material misstatement.

Our work involved performing procedures to obtain evidence about the amounts and disclosures in the Historical Financial Information. The procedures selected depend on the reporting accountants' judgement, including the assessment of risks of material misstatement of the Historical Financial Information, whether due to fraud or error. In making those risk assessments, the reporting accountants consider internal control relevant to the entity's preparation of the Historical Financial Information that gives a true and fair view in accordance with the basis of presentation and the basis of preparation set out in notes 2.1 and 2.2 to the Historical Financial Information, respectively, in order to design procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Our work also included evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the Historical Financial Information.

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

Opinion

In our opinion, the Historical Financial Information gives, for the purposes of the accountants' report, a true and fair view of the financial position of the Group as at December 31, 2017, 2018 and 2019 and April 30, 2020 and of the Company as at December 31, 2019 and April 30, 2020 and of the financial performance and cash flows of the Group for each of the Relevant Periods in accordance with the basis of presentation and the basis of preparation set out in notes 2.1 and 2.2 to the Historical Financial Information, respectively.

Review of interim comparative financial information

We have reviewed the interim comparative financial information of the Group which comprises the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the four months ended April 30, 2019 and other explanatory information (the "Interim Comparative Financial Information"). The directors of the Company are responsible for the preparation and presentation of the Interim Comparative Financial Information in accordance with the basis of presentation and the basis of preparation set out in notes 2.1 and 2.2 to the Historical Financial Information, respectively. Our responsibility is to express a conclusion on the Interim Comparative Financial Information based on our review. We conducted our review in accordance with *Hong Kong Standard on Review Engagements 2410 Review of Interim Financial Information Performed* by the Independent Auditor of the Entity issued by the HKICPA. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion. Based on our review, nothing has come to our attention that causes us to believe that the Interim Comparative Financial Information, for the purposes of the accountants' report, is not prepared, in all material respects, in accordance with the basis of presentation and the basis of preparation set out in notes 2.1 and 2.2 to the Historical Financial Information, respectively.

Report on matters under the Rules Governing the Listing of Securities on the Stock Exchange and the Companies (Winding Up and Miscellaneous Provisions) Ordinance

Adjustments

In preparing the Historical Financial Information, no adjustments to the Underlying Financial Statements as defined on page I-4 have been made.

Dividends

We refer to note 11 to the Historical Financial Information which states that no dividends have been paid by the Company in respect of the Relevant Periods.

No historical financial statements for the Company

As at the date of this report, no statutory financial statements have been prepared for the Company since its date of incorporation.

Yours faithfully,

Ernst & Young
Certified Public Accountants
Hong Kong
October 16, 2020

I HISTORICAL FINANCIAL INFORMATION

Preparation of Historical Financial Information

Set out below is the Historical Financial Information which forms an integral part of this accountants' report.

The financial statements of the Group for the Relevant Periods, on which the Historical Financial Information is based, were audited by Ernst & Young in accordance with Hong Kong Standards on Auditing issued by the HKICPA (the "Underlying Financial Statements").

The Historical Financial Information is presented in Renminbi ("RMB") and all values are rounded to the nearest thousand (RMB'000) except when otherwise indicated.

CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

		Year ended December 31,			Four months ended April 30,	
	Notes	**2017**	**2018**	**2019**	**2019**	**2020**
		RMB'000	**RMB'000**	**RMB'000**	**RMB'000** (unaudited)	**RMB'000**
REVENUE	5	11,776,599	15,971,183	25,963,108	4,454,113	2,929,200
Cost of sales		(7,984,939)	(11,145,666)	(20,300,888)	(3,206,145)	(2,149,495)
GROSS PROFIT		3,791,660	4,825,517	5,662,220	1,247,968	779,705
Finance income		268,686	213,893	100,431	27,929	21,174
Other income and gains	5	19,721	68,577	187,641	33,558	10,105
Selling and distribution expenses		(434,319)	(519,332)	(771,495)	(228,112)	(144,500)
Administrative expenses		(596,821)	(795,006)	(988,052)	(275,920)	(255,832)
Finance costs	7	(344,564)	(571,509)	(494,863)	(38,928)	(98,494)
Other expenses		(34,655)	(101,646)	(49,065)	(25,099)	(115,390)
Fair value gains on investment properties	15	317,755	616,536	480,869	251,913	101,106
Fair value gains or losses from financial assets at fair value through profit or loss		268	3,102	(266)	(3,161)	176
Share of profits and losses of:						
Joint ventures		426,721	(24,121)	510,165	(60,912)	71,368
Associates		54,329	(65,674)	(68,769)	(6,619)	(19,269)
PROFIT BEFORE TAX	6	3,468,781	3,650,337	4,568,816	922,617	350,149
Income tax expense	10	(1,247,438)	(1,350,460)	(1,878,828)	(390,839)	(168,134)
PROFIT FOR THE YEAR/PERIOD		2,221,343	2,299,877	2,689,988	531,778	182,015
Attributable to						
Owners of the parent		2,030,835	2,007,939	2,508,068	493,071	179,188
Non-controlling interests		190,508	291,938	181,920	38,707	2,827
		2,221,343	2,299,877	2,689,988	531,778	182,015
EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT						
Basic and diluted	12	N/A	N/A	N/A	N/A	N/A

	Notes	Year ended December 31, 2017	2018	2019	Four months ended April 30, 2019	2020
		RMB'000	RMB'000	RMB'000	RMB'000 (unaudited)	RMB'000
PROFIT FOR THE YEAR/PERIOD		2,221,343	2,299,877	2,689,988	531,778	182,015
OTHER COMPREHENSIVE INCOME						
Other comprehensive income that will be reclassified to profit or loss in subsequent periods:						
Revaluation gains on transfer from property, plant and equipment to investment properties	15	7,342	—	—	—	—
Income tax effect		(1,835)	—	—	—	—
Net other comprehensive income that will be reclassified to profit or loss in subsequent periods		5,507	—	—	—	—
OTHER COMPREHENSIVE INCOME FOR THE YEAR/PERIOD, NET OF TAX		5,507	—	—	—	—
TOTAL COMPREHENSIVE INCOME FOR THE YEAR/PERIOD		2,226,850	2,299,877	2,689,988	531,778	182,015
Attributable to:						
Owners of the parent		2,036,122	2,007,939	2,508,068	493,071	179,188
Non-controlling interests		190,728	291,938	181,920	38,707	2,827
		2,226,850	2,299,877	2,689,988	531,778	182,015

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	Notes	December 31, 2017	2018	2019	April 30, 2020
		RMB'000	RMB'000	RMB'000	RMB'000
NON-CURRENT ASSETS					
Property, plant and equipment	13	407,353	392,712	375,297	367,918
Right-of-use assets	14	142,248	141,891	133,728	125,783
Investment properties	15	8,725,120	9,735,264	10,506,200	10,616,700
Intangible assets	16	21,724	20,478	18,276	17,243
Investments in joint ventures	17	2,337,637	1,205,068	1,736,684	1,504,331
Investments in associates	18	821,584	1,892,847	2,341,967	2,356,735
Financial assets at fair value through profit or loss	26	122,757	108,481	309,951	312,091
Deferred tax assets	19	1,210,659	2,268,267	2,873,970	3,125,340
Other non-current assets	25	1,712,644	2,616,156	1,402,644	1,402,644
Total non-current assets		15,501,726	18,381,164	19,698,717	19,828,785
CURRENT ASSETS					
Properties under development	20	44,645,814	66,993,973	86,103,704	94,264,396
Completed properties held for sale	21	4,687,880	5,504,494	8,884,710	11,009,463
Trade receivables	22	103,607	144,710	25,360	22,858
Contract cost assets	23	221,228	330,480	481,756	617,497
Due from related parties	42	7,569,098	6,892,735	7,815,085	8,260,533
Prepayments and other receivables	24	7,573,969	6,364,089	12,243,759	9,268,135
Tax recoverable		340,936	583,799	685,978	806,728
Financial assets at fair value through profit or loss	26	12,033	1,217,190	5,739	3,775
Restricted cash	27	1,478,041	3,278,066	3,762,566	4,030,926
Pledged deposits	27	1,069,969	989,627	418,642	303,419
Cash and cash equivalents	27	3,555,333	9,932,056	9,218,547	8,407,534
Total current assets		71,257,908	102,231,219	129,645,846	136,995,264

	Notes	December 31, 2017	December 31, 2018	December 31, 2019	April 30, 2020
		RMB'000	RMB'000	RMB'000	RMB'000
CURRENT LIABILITIES					
Trade and bills payables	*28*	4,404,560	6,083,752	8,401,573	7,618,674
Other payables and accruals	*29*	2,415,920	3,739,786	3,300,649	2,895,085
Contract liabilities	*30*	24,602,223	41,935,011	56,685,129	62,074,715
Due to related parties	*42*	3,062,905	2,883,813	4,911,899	4,414,264
Tax payable	*10*	1,545,450	2,466,616	2,763,367	2,689,250
Interest-bearing bank and other borrowings	*31*	8,586,825	15,117,163	13,979,311	14,571,180
Proceeds from asset-backed securities within one year	*32*	88,429	193,077	1,156,041	376,947
Senior notes	*33*	—	—	34,154	168,488
Corporate bonds	*34*	4,159,379	8,042,163	4,035,868	5,875,870
Lease liabilities within one year	*14*	14,014	17,953	20,380	18,322
Total current liabilities		48,879,705	80,479,334	95,288,371	100,702,795
NET CURRENT ASSETS		**22,378,203**	**21,751,885**	**34,357,475**	**36,292,469**
TOTAL ASSETS LESS CURRENT LIABILITIES		**37,879,929**	**40,133,049**	**54,056,192**	**56,121,254**
NON-CURRENT LIABILITIES					
Interest-bearing bank and other borrowings	*31*	17,173,508	14,167,847	19,466,254	21,282,992
Proceeds from asset-backed securities	*32*	431,786	4,250,876	3,426,599	3,376,912
Senior notes	*33*	—	—	1,706,044	3,812,267
Corporate bonds	*34*	3,586,950	1,396,675	5,266,794	3,121,395
Lease liabilities	*14*	20,225	18,696	12,231	7,145
Deferred tax liabilities	*19*	2,070,685	2,766,765	2,799,068	2,861,326
Total non-current liabilities		23,283,154	22,600,859	32,676,990	34,462,037
NET ASSETS		**14,596,775**	**17,532,190**	**21,379,202**	**21,659,217**
EQUITY					
Equity attributable to owners of the parent					
Share capital	*35*	—	—	—	—
Reserves	*36*	12,314,235	14,322,174	16,830,242	17,009,430
		12,314,235	14,322,174	16,830,242	17,009,430
Non-controlling interests		**2,282,540**	**3,210,016**	**4,548,960**	**4,649,787**
TOTAL EQUITY		**14,596,775**	**17,532,190**	**21,379,202**	**21,659,217**

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

	Attributable to owners of the parent							
	Share capital	Capital Reserve	Statutory surplus reserve	Asset revaluation reserve	Retained profits	Total	Non-controlling interests	Total equity
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
	Note 35	Note 36(a)	Note 36(b)	Note 36(c)				
As at January 1, 2017	—	(144,926)	984,360	—	9,438,679	10,278,113	1,089,132	11,367,245
Profit for the year	—	—	—	—	2,030,835	2,030,835	190,508	2,221,343
Other comprehensive income for the year:								
Revaluation gains on transfer from property, plant and equipment to investment properties, net of tax	—	—	—	5,287	—	5,287	220	5,507
Total comprehensive income for the year	—	—	—	5,287	2,030,835	2,036,122	190,728	2,226,850
Appropriations to statutory surplus reserves	—	—	298,883	—	(298,883)	—	—	—
Dividends paid to non-controlling shareholders	—	—	—	—	—	—	(1,600)	(1,600)
Capital contribution from non-controlling shareholders of subsidiaries	—	—	—	—	—	—	1,004,280	1,004,280
As at December 31, 2017 and January 1, 2018	—	(144,926)*	1,283,243*	5,287*	11,170,631*	12,314,235	2,282,540	14,596,775
Profit for the year	—	—	—	—	2,007,939	2,007,939	291,938	2,299,877
Other comprehensive income for the year	—	—	—	—	—	—	—	—
Total comprehensive income for the year	—	—	—	—	2,007,939	2,007,939	291,938	2,299,877
Appropriations to statutory surplus reserves	—	—	157,760	—	(157,760)	—	—	—
Dividends paid to non-controlling shareholders	—	—	—	—	—	—	(1,480)	(1,480)
Capital contribution from non-controlling shareholders of subsidiaries	—	—	—	—	—	—	637,018	637,018
As at December 31, 2018 and January 1, 2019	—	(144,926)*	1,441,003*	5,287*	13,020,810*	14,322,174	3,210,016	17,532,190
Profit for the year	—	—	—	—	2,508,068	2,508,068	181,920	2,689,988
Other comprehensive income for the year	—	—	—	—	—	—	—	—
Total comprehensive income for the year	—	—	—	—	2,508,068	2,508,068	181,920	2,689,988
Appropriations to statutory surplus reserves	—	—	303,178	—	(303,178)	—	—	—
Capital contribution from non-controlling shareholders of subsidiaries	—	—	—	—	—	—	1,157,024	1,157,024
As at December 31, 2019	—	(144,926)*	1,744,181*	5,287*	15,225,700*	16,830,242	4,548,960	21,379,202

	Attributable to owners of the parent							
	Share capital	Capital Reserve	Statutory surplus reserve	Asset revaluation reserve	Retained profits	Total	Non-controlling interests	Total equity
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
	Note 35	Note 36(a)	Note 36(b)	Note 36(c)				
As at December 31, 2019 and January 1, 2020	—	(144,926)*	1,744,181*	5,287*	15,225,700*	16,830,242	4,548,960	21,379,202
Profit for the period	—	—	—	—	179,188	179,188	2,827	182,015
Other comprehensive income for the period	—	—	—	—	—	—	—	—
Total comprehensive income for the period	—	—	—	—	179,188	179,188	2,827	182,015
Capital contribution from non-controlling shareholders of subsidiaries	—	—	—	—	—	—	98,000	98,000
As at April 30, 2020	—	(144,926)*	1,744,181*	5,287*	15,404,888*	17,009,430	4,649,787	21,659,217
As at December 31, 2018 and January 1, 2019	—	(144,926)	1,441,003	5,287	13,020,810	14,322,174	3,210,016	17,532,190
Profit for the period (unaudited)	—	—	—	—	493,071	493,071	38,707	531,778
Other comprehensive income for the period (unaudited)	—	—	—	—	—	—	—	—
Total comprehensive income for the period (unaudited)	—	—	—	—	493,071	493,071	38,707	531,778
Capital contribution from non-controlling shareholders of subsidiaries (unaudited)	—	—	—	—	—	—	105,525	105,525
As at April 30, 2019 (unaudited)	—	(144,926)	1,441,003	5,287	13,513,881	14,815,245	3,354,248	18,169,493

* These reserve accounts represent the total consolidated reserves of RMB12,314,235,000, RMB14,322,174,000, RMB16,830,242,000 and RMB17,009,430,000 in the consolidated statements of financial position as at December 31, 2017, 2018 and 2019 and April 30, 2020, respectively.

CONSOLIDATED STATEMENTS OF CASH FLOWS

	Notes	Year ended December 31,			Four months ended April 30,	
		2017	2018	2019	2019	2020
		RMB'000	RMB'000	RMB'000	RMB'000 (unaudited)	RMB'000
CASH FLOWS FROM OPERATING ACTIVITIES						
Profit before tax		3,468,781	3,650,337	4,568,816	922,617	350,149
Adjustments for:						
Depreciation of items of property, plant and equipment	*6,13*	34,656	43,558	54,878	13,259	13,463
Amortization of land use rights	*6,14(a)*	1,940	3,064	3,680	1,081	1,215
Depreciation of other right-of-use assets	*6,14(b)*	8,634	15,100	22,715	6,871	8,108
Amortization of intangible assets	*6,16*	3,451	3,987	3,767	1,954	1,855
Impairment losses recognized for properties under development	*6,20*	138,090	289,717	183,913	129,507	—
Impairment losses recognized for completed properties held for sale	*6,21*	6,572	18,915	265,295	—	—
Impairment losses recognized for financial assets	*6,22,24*	1,371	437	83	(302)	(220)
Fair value gains or losses from financial assets through profit or loss		(268)	(3,102)	266	3,161	(176)
Gains on bargain purchase	*5*	—	(40,352)	—	—	—
Gains on disposal of subsidiaries	*5*	—	(4,245)	(97,589)	—	—
Share of profits and losses of joint ventures	*17*	(426,721)	24,121	(510,165)	60,912	(71,368)
Share of profits and losses of associates	*18*	(54,329)	65,674	68,769	6,619	19,269
Fair value gains on investment properties	*15*	(317,755)	(616,536)	(480,869)	(251,913)	(101,106)
Net gain or loss on disposal of items of property, plant and equipment		(1,412)	(293)	140	108	66
Finance costs	*7*	344,564	571,509	494,863	38,928	98,494
Finance income		(268,686)	(213,893)	(100,431)	(27,929)	(21,174)
Increase in properties under development and completed properties held for sale		(15,130,636)	(18,816,242)	(19,575,326)	(6,019,871)	(8,851,695)
(Increase)/decrease in prepayments and other receivables		(4,654,281)	1,742,232	(9,214,874)	(2,014,076)	2,974,769
Increase in restricted cash		(717,236)	(1,800,025)	(484,500)	(194,997)	(268,360)
Increase in pledged deposits		(16,291)	(81,617)	(52,040)	(110,097)	(40,171)
Decrease/(increase) in trade receivables		21,768	(40,219)	38,817	9,365	2,331
Increase in contract cost assets		(25,911)	(109,252)	(151,276)	(86,371)	(135,741)
(Decrease)/increase in trade and bills payables		(317,207)	1,397,330	2,589,745	(1,172,918)	(782,899)
(Increase)/decrease in amounts due from related parties		(30)	(5,953)	6,784	7,881	(21,678)
Increase/(decrease) in other payables and accruals		1,168,266	452,657	3,179,343	(692,293)	(287,605)
Increase in contract liabilities		10,007,913	16,414,080	15,676,127	8,866,999	5,284,903
Increase in due to related parties		—	—	—	—	3,382
Cash (used in)/generated from operations		**(6,724,757)**	**2,960,989**	**(3,509,069)**	**(501,505)**	**(1,824,189)**
Interest received		268,686	213,893	100,431	27,929	21,174
Tax paid		(1,300,086)	(1,740,494)	(2,288,415)	(814,778)	(552,113)
Net cash flows (used in)/generated from operating activities		**(7,756,157)**	**1,434,388**	**(5,697,053)**	**(1,288,354)**	**(2,355,128)**

	Notes	Year ended December 31,			Four months ended April 30,	
		2017	2018	2019	2019	2020
		RMB'000	RMB'000	RMB'000	RMB'000 (unaudited)	RMB'000
CASH FLOWS FROM INVESTING ACTIVITIES						
Purchases of items of property, plant and equipment	*13*	(81,504)	(30,746)	(45,515)	(28,782)	(6,272)
Purchase of intangible assets	*16*	(5,020)	(2,741)	(1,565)	(109)	(822)
Increase in investment properties		(831,902)	(197,263)	(8,150)	(3,557)	(9,394)
Acquisition of subsidiaries	*38*	(60,749)	(612,186)	—	—	—
Disposal of subsidiaries	*39*	—	(16,670)	(45,513)	—	—
Acquisition of financial assets at fair value through profit or loss		(91,300)	(1,200,279)	(218,842)	(445,972)	—
Disposal of financial assets at fair value through profit or loss		—	12,500	1,228,557	53,222	—
Investments in joint ventures and associates		(1,788,649)	(1,333,374)	(517,890)	—	(10,400)
Dividends received from joint ventures		—	402,446	—	—	281,330
Disposal of investments in joint ventures and associates		396,800	748,000	—	—	—
Advances to related parties		(17,413,614)	(8,141,427)	(11,477,734)	(1,551,054)	(3,348,582)
Receipt of advances to related parties		13,197,611	8,823,743	10,548,600	1,371,520	2,924,812
Disposal of items of property, plant and equipment		3,144	2,847	788	700	122
Net cash flows used in investing activities		**(6,675,183)**	**(1,545,150)**	**(537,264)**	**(604,032)**	**(169,206)**
CASH FLOWS FROM FINANCING ACTIVITIES						
Proceeds from issue of senior notes		—	—	1,706,044	—	2,066,340
Proceeds from issue of corporate bonds		—	3,091,360	3,959,475	—	—
Repayment of proceeds from issue of corporate bonds		(490,900)	(1,990,900)	(4,728,055)	(852,855)	(300,000)
Capital contribution from non-controlling shareholders of the subsidiaries		1,004,280	637,018	611,499	105,525	98,000
Interest paid		(1,627,319)	(2,399,022)	(2,624,436)	(1,011,859)	(1,222,567)
Advances from related parties		5,730,629	7,590,677	6,061,726	3,353,243	1,135,943
Repayment of advances from related parties		(4,832,439)	(7,769,769)	(4,033,640)	(2,896,898)	(1,636,960)
Proceeds from asset-backed securities		—	4,000,150	631,114	—	—
Repayment of proceeds from asset-backed securities		(111,766)	(137,168)	(778,274)	—	(841,958)
(Increase)/decrease in pledged deposits		(297,630)	161,959	623,025	169,412	155,394
Proceeds from interest-bearing bank and other borrowings		23,363,953	21,778,923	27,230,410	9,801,624	8,650,318

	Notes	Year ended December 31, 2017	2018	2019	Four months ended April 30, 2019	2020
		RMB'000	RMB'000	RMB'000	RMB'000 (unaudited)	RMB'000
Repayment of interest-bearing bank and other borrowings		(9,535,620)	(18,456,390)	(23,111,597)	(9,684,270)	(6,381,711)
Payment of lease liabilities		(10,089)	(17,873)	(26,483)	(8,105)	(9,478)
Dividends paid to non-controlling shareholders		(1,600)	(1,480)	—	—	—
Net cash flows generated from/(used in) financing activities		**13,191,499**	**6,487,485**	**5,520,808**	**(1,024,183)**	**1,713,321**
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS		**(1,239,841)**	**6,376,723**	**(713,509)**	**(2,916,569)**	**(811,013)**
Cash and cash equivalents at beginning of year/period		4,795,174	3,555,333	9,932,056	9,932,056	9,218,547
CASH AND CASH EQUIVALENTS AT END OF YEAR/PERIOD		**3,555,333**	**9,932,056**	**9,218,547**	**7,015,487**	**8,407,534**
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS						
Cash and bank balances	*27*	6,103,343	14,199,749	13,399,755	11,418,862	12,741,879
Less: Restricted cash	*27*	1,478,041	3,278,066	3,762,566	3,473,063	4,030,926
Pledged deposits	*27*	1,069,969	989,627	418,642	930,312	303,419
CASH AND CASH EQUIVALENTS AS STATED IN THE CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AND STATEMENTS OF CASH FLOWS		**3,555,333**	**9,932,056**	**9,218,547**	**7,015,487**	**8,407,534**

STATEMENT OF FINANCIAL POSITION OF THE COMPANY

	Note	December 31, 2019	April 30, 2020
		RMB'000	RMB'000
CURRENT LIABILITIES			
Other payables and accruals		17	874
NET LIABILITIES		**17**	874
EQUITY			
Share capital	*35*	—	—
Reserves		(17)	(874)
TOTAL EQUITY		**(17)**	**(874)**

II NOTES TO THE HISTORICAL FINANCIAL INFORMATION

1. CORPORATE INFORMATION

The Company is an exempted company incorporated in the Cayman Islands. The registered office address of the Company is PO Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands.

The Company is an investment holding company. During the Relevant Periods, the subsidiaries now comprising the Group were involved in property development and sales, property leasing, the provision of property management services and management consulting services to its joint ventures and associates for the overall operation of property projects (the "Listing Business"). The controlling shareholders of the Group are Mr. Lam Ting Keung, Ms. Lam Fung ying, Radiance Group Holdings Limited (formerly known as Radiance Property Holdings Limited, "Radiance Group Holdings") and Glowing Shine Limited (the "Controlling Shareholders").

The Company and its subsidiaries now comprising the Group underwent the Reorganization which was completed on March 5, 2020 as set out in the paragraph headed "Reorganization" in the section headed "History, Reorganization and Corporate Structure" in the Prospectus. Apart from the Reorganization, the Company has not commenced any business or operation since its incorporation.

As at the date of the report, the Company had direct or indirect interests in more than 100 subsidiaries, all of which are private limited liability companies, and the particulars of the principal subsidiaries are set out below:

Subsidiaries	Notes	Place and date of incorporation/ establishment and place of operations	Nominal value of registered share capital ('000)	Effective percentage of equity interest attributable to the Company	Principal activities
Directly held:					
Jubilance Properties Limited	*(5)*	British Virgin Islands/ May 14, 2013	US$0.003	100.00%	Investment holding
Indirectly held:					
金輝投資(香港)有限公司 Kam Fei Investment (Hong Kong) Limited ("Kam Fei Investment")	*(15)*	Hong Kong ("HK") May 4, 2006	HK$990	100.00%	Investment holding
金輝資本投資有限公司 Radiance Capital Investments Limited ("Radiance Capital Investments")	*(4)*	British Virgin Islands/ June 6, 2017	US$50	96.00%	Financing
金輝北望控股有限公司 Radiance Capital Holdings Co., Limited ("Radiance Capital Holdings")	*(16)*	HK/ May 18, 2017	HK$10	96.00%	Investment holding
金輝集團股份有限公司 Radiance Group Co., Ltd. ("Radiance Group")	*(7)*	People's Republic of China ("PRC")/ Mainland China/ September 2, 1996	RMB1,800,000	96.00%	Property development
北京融輝置業有限公司 Beijing Ronghui Real Estate Co., Ltd. ("Beijing Ronghui Real Estate")	*(7)*	PRC/ Mainland China/ June 15, 2009	RMB300,000	96.00%	Property development
北京金輝居業投資有限公司 Beijing Jinhui Juye Investment Co., Ltd. ("Beijing Jinhui Juye Investment")	*(7)*	PRC/ Mainland China/ December 14, 2009	RMB98,000	96.00%	Investment holding
北京融輝酒店管理有限公司 Beijing Ronghui Hotel Management Co., Ltd. ("Beijing Ronghui Hotel Management")	*(7)*	PRC/ Mainland China/ August 5, 2010	RMB10,000	96.00%	Property management
福州金輝居業房地產有限公司 Fuzhou Jinhui Juye Properties Co., Ltd. ("Fuzhou Jinhui Juye Properties")	*(3,7)*	PRC/ Mainland China/ August 7, 2015	RMB50,000	96.00%	Property development

Subsidiaries	Notes	Place and date of incorporation/ establishment and place of operations	Nominal value of registered share capital ('000)	Effective percentage of equity interest attributable to the Company	Principal activities
北京融輝茗業投資有限公司 Beijing Ronghui Mingye Investment Co., Ltd. ("Beijing Ronghui Mingye Investment")	*(7)*	PRC/ Mainland China/ August 15, 2007	RMB30,000	96.00%	Investment holding
北京金輝原山投資發展有限公司 Beijing Jinhui Yuanshan Investment Development Co., Ltd. ("Beijing Jinhui Yuanshan Investment")	*(7)*	PRC/ Mainland China/ January 22, 2013	RMB10,000	96.00%	Property management
北京居業置業有限公司 Beijing Juye Real Estate Co., Ltd. ("Beijing Juye Real Estate")	*(7)*	PRC/ Mainland China/ March 23, 2016	RMB3,309,447	96.00%	Property development and leasing
北京北建陸港國際物流有限公司 Beijing Beijian Lugang International Logistics Co., Ltd. ("Beijing Beijian Lugang International")	*(7)*	PRC/ Mainland China/ March 31, 2008	RMB124,000	96.00%	Property development
天津融輝投資有限公司 Tianjin Ronghui Investment Co., Ltd. ("Tianjin Ronghui Investment")	*(7)*	PRC/ Mainland China/ April 6, 2010	RMB200,000	96.00%	Property development
天津金輝房地產開發有限公司 Tianjin Jinhui Properties Development Co., Ltd. ("Tianjin Jinhui Properties")	*(10)*	PRC/ Mainland China/ September 10, 2018	RMB50,000	96.00%	Property development
天津啓陽企業管理諮詢有限公司 Tianjin Qiyang Enterprise Management Co., Ltd. ("Tianjin Qiyang Enterprise Management")	*(20)*	PRC/ Mainland China/ November 15, 2018	RMB20,000	96.00%	Management consulting
天津居業貿易有限公司 Tianjin Juye Trading Co., Ltd. (Tianjin Juye Trading")	*(20)*	PRC/ Mainland China/ November 30, 2018	RMB550,000	96.00%	Trading
天津居業新材料科技發展有限公司 Tianjin Juye New Materials Technology Development Co., Ltd. ("Tianjin Juye New Materials Technology")	*(20)*	PRC/ Mainland China/ November 29, 2018	RMB520,000	96.00%	Trading
遼寧金輝置業有限公司 Liaoning Jinhui Real Estate Co., Ltd. ("Liaoning Jinhui Real Estate")	*(7)*	PRC/ Mainland China/ July 21, 2010	RMB20,000	96.00%	Property development
瀋陽金輝居業房地產有限公司 Shenyang Jinhui Juye Properties Co., Ltd. ("Shenyang Jinhui Juye Properties")	*(7)*	PRC/ Mainland China/ May 12, 2011	RMB20,000	96.00%	Property development
瀋陽融輝居業房地產開發有限公司 Shenyang Ronghui Juye Properties Development Co., Ltd. ("Shenyang Ronghui Juye Properties")	*(7)*	PRC/ Mainland China/ January 2, 2014	RMB582,080	96.00%	Property development
合肥盛卓房地產開發有限公司 Hefei Shengzhuo Properties Development Co., Ltd. ("Hefei Shengzhuo")	*(2,8)*	PRC/ Mainland China/ March 8, 2017	RMB200,000	22.08%	Property development
瀋陽廣興房地產開發有限公司 Shenyang Guangxing Properties Development Co., Ltd. ("Shenyang Guangxing Properties")	*(7)*	PRC/ Mainland China/ July 18, 2014	RMB21,000	96.00%	Property development

Subsidiaries	Notes	Place and date of incorporation/ establishment and place of operations	Nominal value of registered share capital ('000)	Effective percentage of equity interest attributable to the Company	Principal activities
石家莊融輝房地產開發有限公司 Shijiazhuang Ronghui Properties Development Co., Ltd. ("Shijiazhuang Ronghui Properties")	(10)	PRC/ Mainland China/ May 18, 2018	RMB10,000	96.00%	Property development
石家莊啓輝房地產開發有限公司 Shijiazhuang Qihui Properties Development Co., Ltd. ("Shijiazhuang Qihui Properties")	(4)	PRC/ Mainland China/ October 31, 2018	RMB10,000	64.32%	Property development
福州融輝房地產有限公司 Fuzhou Ronghui Properties Co., Ltd, ("Fuzhou Ronghui Properties")	(7)	PRC/ Mainland China/ December 31, 2004	RMB105,000	96.00%	Property development
福州金輝房地產開發有限公司 Fuzhou Jinhui Properties Development Co., Ltd. ("Fuzhou Jinhui Properties")	(7)	PRC/ Mainland China/ July 10, 1998	RMB17,150	97.20%	Property development
福州金輝置業有限公司 Fuzhou Jinhui Real Estate Co., Ltd. ("Fuzhou Jinhui Real Estate")	(7)	PRC/ Mainland China/ September 23, 2004	RMB50,000	96.00%	Property development
融僑(福州)置業有限公司 Rongqiao (FuZhou) Real Estate Co., Ltd. ("Rongqiao (Fuzhou) Real Estate")	(7)	PRC/ Mainland China/ June 24, 1992	US$30,000	57.60%	Property development
福州融宇房地產有限公司 Fuzhou Rongyu Properties Co., Ltd. ("Fuzhou Rongyu Properties")	(20)	PRC/ Mainland China/ December 9, 2016	RMB10,000	96.00%	Property development
福清金輝房地產開發有限公司 Fuqing Jinhui Properties Development Co., Ltd. ("Fuqing Jinhui Properties")	(7)	PRC/ Mainland China/ October 18, 2005	RMB150,000	96.00%	Property development
福清融輝置業有限公司 Fuqing Ronghui Real Estate Co., Ltd. ("Fuqing Ronghui Real Estate")	(7)	PRC/ Mainland China/ July 16, 2009	RMB80,000	96.00%	Property development
福清金利方園房地產有限公司 Fuqing Jinli Fangyuan Properties Co., Ltd. ("Fuqing Jinli Fangyuan Properties")	(2,8)	PRC/ Mainland China/ November 10, 2017	RMB50,000	34.56%	Property development
福清金福新茂房地產有限公司 Fuqing Jinfu Xinmao Properties Co., Ltd. ("Fuqing Jinfu Xinmao Properties")	(2,10)	PRC/ Mainland China/ September 5, 2018	RMB200,000	37.44%	Property development
福清金輝居業房地產有限公司 Fuqing Jinhui Juye Properties Co., Ltd. ("Fuqing Jinhui Juye Properties")	(10)	PRC/ Mainland China/ September 27, 2018	RMB50,000	96.00%	Property development
福建省平潭居業貿易有限公司 Fujian Pingtan Juye Trading Co., Ltd. ("Fujian Pingtan Juye Properties")	(8)	PRC/ Mainland China/ May 3, 2017	RMB510,000	96.00%	Trading
福建省平潭築嘉居業建築裝飾有限責任公司 Fujian Pingtan Zhujia Juye Construction Decoration Co., Ltd. ("Fujian Pingtan Zhujia Juye Construction")	(8)	PRC/ Mainland China/ May 8, 2017	RMB5,000	96.00%	Construction decoration
深圳市金輝投資有限公司 Shenzhen Jinhui Investment Co., Ltd. ("Shenzhen Jinhui Investment")	(21)	PRC/ Mainland China/ May 26, 2017	RMB50,000	96.00%	Investment holding

Subsidiaries	Notes	Place and date of incorporation/ establishment and place of operations	Nominal value of registered share capital ('000)	Effective percentage of equity interest attributable to the Company	Principal activities
佛山市金輝房地產有限公司 Foshan Jinhui Properties Co., Ltd. ("Foshan Jinhui Properties")	(8)	PRC/ Mainland China/ May 8, 2017	RMB10,000	96.00%	Property development
佛山市鵬輝房地產有限公司 Foshan Penghui Properties Co., Ltd. ("Foshan Penghui Properties")	(3,8)	PRC/ Mainland China/ June 22, 2017	RMB10,000	96.00%	Property development
佛山市高明區龍光景駿房地產有限公司 Foshan Gaoming Longguang Jingjun Properties Co., Ltd. ("Foshan Longguang Jingjun")	(1,8)	PRC/ Mainland China/ September 26, 2017	RMB20,000	48.00%	Property development
惠州市順翔房地產開發有限公司 Huizhou Shunxiang Properties Development Co., Ltd. ("Huizhou Shunxiang Properties")	(14)	PRC/ Mainland China/ November 1, 2016	RMB10,000	96.00%	Property development
惠州市恒盛泰房地產開發有限公司 Huizhou Hengshengtai Properties Development Co., Ltd. ("Huizhou Hengshengtai Properties")	(14)	PRC/ Mainland China/ September 5, 2017	RMB120,000	96.00%	Property development
重慶金輝錦江房地產有限公司 Chongqing Jinhui Jinjiang Properties Co., Ltd. ("Chongqing Jinhui Jinjiang Properties")	(7)	PRC/ Mainland China/ December 8, 2004	RMB596,120	96.00%	Property development
重慶金輝長江房地產有限公司 Chongqing Jinhui Changjiang Properties Co., Ltd. ("Chongqing Jinhui Changjiang")	(7)	PRC/ Mainland China/ April 13, 2001	RMB741,701	96.00%	Property development
重慶金輝長江資產管理有限公司 Chongqing Jinhui Changjiang Asset Management Co., Ltd. ("Chongqing Jinhui Changjiang Management")	(7)	PRC/ Mainland China/ February 8, 2003	RMB8,000	96.00%	Property Management
重慶融輝房地產有限公司 Chongqing Ronghui Properties Co., Ltd. ("Chongqing Ronghui Properties")	(7)	PRC/ Mainland China/ March 24, 2004	RMB173,700	96.00%	Property development
重慶金輝星耀房地產開發有限公司 Chongqing Jinhui Xingyao Properties Development Co., Ltd. ("Chongqing Jinhui Xingyao Properties")	(2,10)	PRC/ Mainland China/ June 20, 2018	RMB390,800	48.10%	Property development
成都瑞華企業(集團)有限責任公司 Chengdu Ruihua Enterprise (Group) Co., Ltd. ("Chengdu Ruihua Enterprise")	(5)	PRC/ Mainland China/ October 22, 2001	RMB25,000	96.00%	Property development
成都融輝置業有限公司 Chengdu Ronghui Real Estate Co., Ltd. ("Chengdu Ronghui Real Estate")	(5)	PRC/ Mainland China/ May 17, 2011	RMB20,000	96.00%	Property development
成都金輝居業置業有限公司 Chengdu Jinhui Juye Real Estate Co., Ltd. ("Chengdu Jinhui Juye Real Estate")	(5)	PRC/ Mainland China/ January 9, 2013	RMB10,000	96.00%	Property development
仁壽金輝耀城房地產有限公司 Renshou Jinhui Yaocheng Properties Co., Ltd. ("Renshou Jinhui Yaocheng Properties")	(4)	PRC/ Mainland China/ April 26, 2018	RMB20,000	96.00%	Property development

Subsidiaries	Notes	Place and date of incorporation/ establishment and place of operations	Nominal value of registered share capital ('000)	Effective percentage of equity interest attributable to the Company	Principal activities
武漢金輝融宇房地產開發有限公司 Wuhan Jinhui Rongyu Properties Development Co., Ltd. ("Wuhan Jinhui Rongyu Properties")	*(9)*	PRC/ Mainland China/ December 21, 2017	RMB102,041	96.00%	Property development
武漢金輝置業有限公司 Wuhan Jinhui Real Estate Co., Ltd. ("Wuhan Jinhui Real Estate")	*(20)*	PRC/ Mainland China/ October 16, 2017	RMB10,000	96.00%	Property development
孝感全洲鴻博置業有限公司 Xiaogan Quanzhou Hongbo Real Estate Co., Ltd. ("Xiaogan Quanzhou Hongbo Real Estate")	*(20)*	PRC/ Mainland China/ January 23, 2013	RMB100,000	96.00%	Investment development
湖南錦達發房地產有限公司 Hunan Jindafa Properties Co., Ltd. ("Hunan Jindafa Properties")	*(5)*	PRC/ Mainland China/ March 5, 2012	RMB50,000	96.00%	Property development
長沙鴻濤房地產開發有限公司 Changsha Hongtao Properties Development Co., Ltd. ("Changsha Hongtao Properties")	*(5)*	PRC/ Mainland China/ September 21, 2007	RMB50,000	96.00%	Property development
荊州金輝融宇房地產開發有限公司 Jingzhou Jinhui Rongyu Properties Development Co., Ltd. ("Jingzhou Jinhui Rongyu Properties")	*(4)*	PRC/ Mainland China/ August 24, 2018	RMB110,000	96.00%	Property development
西安金輝房地產開發有限公司 Xi'an Jinhui Properties Development Co., Ltd. ("Xi'an Jinhui Properties")	*(7)*	PRC/ Mainland China/ September 1, 2005	RMB746,424	96.00%	Property development
陝西金輝居業房地產有限公司 Shaanxi Jinhui Juye Properties Co., Ltd. ("Shaanxi Jinhui Juye Properties")	*(7)*	PRC/ Mainland China/ June 22, 2006	RMB10,000	96.00%	Property development
西安金輝居業房地產開發有限公司 Xi'an Jinhui Juye Properties Development Co., Ltd. ("Xi'an Jinhui Juye Properties")	*(7)*	PRC/ Mainland China/ December 18, 2007	RMB392,157	96.00%	Property development
西安融輝房地產開發有限公司 Xi'an Ronghui Properties Development Co., Ltd. ("Xi'an Ronghui Properties")	*(7)*	PRC/ Mainland China/ December 31, 2009	RMB100,000	96.00%	Property development
西安興茂房地產開發有限公司 Xi'an Xingmao Properties Development Co., Ltd. ("Xi'an Xingmao Properties")	*(7)*	PRC/ Mainland China/ September 28, 2010	RMB50,000	96.00%	Property development
西安金輝興業房地產開發有限公司 Xi'an Jinhui Xingye Properties Development Co., Ltd. ("Xi'an Jinhui Xingye Properties")	*(7)*	PRC/ Mainland China/ April 8, 2014	RMB50,000	96.00%	Property development
西安曲江原山置業有限公司 Xi'an Qujiang Yuanshan Real Estate Co., Ltd ("Xi'an Qujiang Yuanshan Real Estate")	*(3, 7)*	PRC/ Mainland China/ August 26, 2011	RMB100,000	96.00%	Property development
西安曲江合創房地產開發有限公司 Xi'an Qujiang Hechuang Properties Development Co., Ltd. ("Xi'an Qujiang Hechuang Properties")	*(7)*	PRC/ Mainland China/ August 26, 2011	RMB100,000	96.00%	Property development

Subsidiaries	Notes	Place and date of incorporation/ establishment and place of operations	Nominal value of registered share capital ('000)	Effective percentage of equity interest attributable to the Company	Principal activities
西安博朗房地產開發有限公司 Xi'an Bolang Properties Development Co., Ltd. ("Xi'an Bolang Properties Development")	*(7)*	PRC/ Mainland China/ July 16, 2013	RMB20,000	96.00%	Property development
西安金輝融宇房地產開發有限公司 Xi'an Jinhui Rongyu Properties Development Co., Ltd. ("Xi'an Jinhui Rongyu Properties")	*(7)*	PRC/ Mainland China/ January 26, 2016	RMB50,000	96.00%	Property development
西安輝耀房地產開發有限公司 Xi'an Huiyao Properties. Development Co., Ltd. ("Xi'an Huiyao Properties")	*(7)*	PRC/ Mainland China/ August 3, 2016	RMB20,000	96.00%	Property development
西安輝盛房地產開發有限公司 Xi'an Huisheng Properties Development Co., Ltd. ("Xi'an Huisheng Properties")	*(7)*	PRC/ Mainland China/ September 22, 2016	RMB10,000	96.00%	Property development
西安永挺置業有限公司 Xi'an Yongting Real Estate Co., Ltd. ("Xi'an Yongting Real Estate")	*(8)*	PRC/ Mainland China/ April 5, 2017	RMB16,800	96.00%	Property development
陝西楓泓房地產開發有限公司 Shaanxi Fenghong Properties Development Co., Ltd. ("Shaanxi Fenghong Properties")	*(9)*	PRC/ Mainland China/ December 23, 2010	RMB50,000	96.00%	Property development
西咸新區輝盛融宇房地產開發有限公司 Xixian New District Huisheng Rongyu Properties Development Co., Ltd. ("Xixian New District Huisheng Rongyu Properties")	*(10)*	PRC/ Mainland China/ August 28, 2018	RMB50,000	96.00%	Property development
鄭州金輝興業房地產開發有限公司 Zhengzhou Jinhui Xingye Properties Development Co., Ltd. ("Zhengzhou Jinhui Xingye Properties")	*(10)*	PRC/ Mainland China/ May 9, 2018	RMB102,040	96.00%	Property development
上海融輝置業有限公司 Shanghai Ronghui Real Estate Co., Ltd. ("Shanghai Ronghui Real Estate")	*(7)*	PRC/ Mainland China/ December 10, 2009	RMB100,000	96.00%	Property development
上海融港置業有限公司 Shanghai Ronggang Real Estate Co., Ltd. ("Shanghai Ronggang Real Estate")	*(7)*	PRC/ Mainland China/ January 4, 2010	RMB100,000	96.00%	Property development
上海融輝房地產有限公司 Shanghai Ronghui Properties Co., Ltd. ("Shanghai Ronghui Properties")	*(7)*	PRC/ Mainland China/ October 30, 2013	RMB200,000	96.00%	Property development
上海天萃房地產開發有限公司 Shanghai Tiancui Properties Development Co., Ltd. ("Shanghai Tiancui Properties")	*(7)*	PRC/ Mainland China/ December 8, 2015	RMB100,000	96.00%	Property development
蘇州金輝居業有限公司 Suzhou Jinhui Juye Co., Ltd. ("Suzhou Jinhui Juye")	*(7)*	PRC/ Mainland China/ September 8, 2009	RMB100,000	96.00%	Investment development
蘇州金輝房地產開發有限公司 Suzhou Jinhui Properties Development Co., Ltd. ("Suzhou Jinhui Properties")	*(7)*	PRC/ Mainland China/ January 9, 2015	RMB100,000	96.00%	Property development
蘇州輝耀房地產開發有限公司 Suzhou Huiyao Properties Development Co., Ltd. ("Suzhou Huiyao Properties")	*(7)*	PRC/ Mainland China/ December 2, 2015	RMB100,000	96.00%	Property development

Subsidiaries	Notes	Place and date of incorporation/ establishment and place of operations	Nominal value of registered share capital ('000)	Effective percentage of equity interest attributable to the Company	Principal activities
蘇州融輝房地產開發有限公司 Suzhou Ronghui Properties Development Co., Ltd. ("Suzhou Ronghui Properties")	*(3,8)*	PRC/ Mainland China/ February 24, 2017	RMB100,000	96.00%	Property development
太倉金輝房地產開發有限公司 Taicang Jinhui Properties Development Co., Ltd. ("Taicang Jinhui Properties")	*(9)*	PRC/ Mainland China/ November 1, 2017	RMB100,000	96.00%	Property development
蘇州金輝華園置業有限公司 Suzhou Jinhui Huayuan Real Estate Co., Ltd. ("Jinhui Huayuan")	*(6)*	PRC/ Mainland China/ December 19, 2014	RMB20,000	96.00%	Property development
蘇州金輝新園置業有限公司 Suzhou Jinhui Xinyuan Real Estate Co., Ltd. ("Jinhui Xinyuan")	*(6)*	PRC/ Mainland China/ May 12, 2014	RMB20,000	96.00%	Property development
杭州融輝置業有限公司 Hangzhou Ronghui Real Estate Co., Ltd. ("Hangzhou Ronghui Real Estate")	*(3,12)*	PRC/ Mainland China/ January 16, 2017	RMB50,000	96.00%	Property development
杭州啓盈企業管理諮詢有限公司 Hangzhou Qiying Enterprise Management Consulting Co., Ltd. ("Hangzhou Qiying Enterprise Management")	*(3,4)*	PRC/ Mainland China/ June 9, 2017	RMB300,000	96.00%	Management consulting
杭州京輝置業有限公司 Hangzhou Jinghui Real Estate Co., Ltd. ("Hangzhou Jinghui Real Estate")	*(11)*	PRC/ Mainland China/ September 19, 2017	RMB50,000	96.00%	Property development
杭州融輝銘著實業有限公司 Hangzhou Ronghui Mingzhu Industrial Co., Ltd. ("Hangzhou Ronghui Mingzhu Industrial")	*(11)*	PRC/ Mainland China/ December 12, 2017	RMB100,000	96.00%	Property development
無錫金輝房地產開發有限公司 Wuxi Jinhui Properties Development Co., Ltd. ("Wuxi Jinhui Properties")	*(7)*	PRC/ Mainland China/ June 3, 2011	RMB100,000	96.00%	Property development
南京輝耀房地產開發有限公司 Nanjing Huiyao Properties Development Co., Ltd. ("Nanjing Huiyao Properties")	*(3,8)*	PRC/ Mainland China/ February 27, 2017	RMB110,000	96.00%	Property development
句容弘源房地產開發有限公司 Jurong Hongyuan Properties Development Co., Ltd. ("Jurong Hongyuan Properties")	*(7)*	PRC/ Mainland China/ July 3, 2009	RMB466,100	96.00%	Property development
句容恭華房地產開發有限公司 Jurong Gonghua Properties Development Co., Ltd. ("Jurong Gonghua Properties")	*(7)*	PRC/ Mainland China/ October 21, 2016	RMB20,000	96.00%	Property development
揚州金輝置業有限公司 Yangzhou Jinhui Real Estate Co., Ltd. ("Yangzhou Jinhui Real Estate")	*(7)*	PRC/ Mainland China/ October 12, 2011	RMB386,098	96.00%	Property development
揚州融輝置業有限公司 Yangzhou Ronghui Real Estate Co., Ltd. ("Yangzhou Ronghui Real Estate")	*(7)*	PRC/ Mainland China/ February 26, 2016	RMB50,000	96.00%	Property development
揚州萬景置業有限公司 Yangzhou Wanjing Real Estate Co., Ltd. ("Yangzhou Wanjing Real Estate")	*(2,9)*	PRC/ Mainland China/ November 15, 2017	RMB555,000	32.00%	Property development

Subsidiaries	Notes	Place and date of incorporation/ establishment and place of operations	Nominal value of registered share capital ('000)	Effective percentage of equity interest attributable to the Company	Principal activities
淮安金輝置業有限公司 Huaian Jinhui Real Estate Co., Ltd. ("Huaian Jinhui Real Estate")	*(13)*	PRC/ Mainland China/ December 17, 2010	RMB100,000	96.00%	Property development
淮安融輝房地產有限公司 Huai'an Ronghui Properties Co., Ltd. ("Huai'an Ronghui Properties")	*(13)*	PRC/ Mainland China/ June 8, 2011	RMB200,000	97.43%	Property development
淮安融輝居業房地產有限公司 Huai'an Ronghui Juye Properties Co., Ltd. ("Huai'an Ronghui Juye Properties")	*(13)*	PRC/ Mainland China/ June 2, 2011	RMB392,749	96.00%	Property development
淮安金輝房地產有限公司 Huai'an Jinhui Properties Co., Ltd. ("Huai'an Jinhui Properties")	*(13)*	PRC/ Mainland China/ March 23, 2011	RMB100,000	96.00%	Property development
連雲港融輝置業有限公司 Lianyungang Ronghui Real Estate Co., Ltd. ("Lianyungang Ronghui Real Estate")	*(7)*	PRC/ Mainland China/ December 20, 2010	RMB100,000	96.00%	Property development
鹽城金輝居業房地產開發有限公司 Yancheng Jinhui Juye Properties Development Co., Ltd. ("Yancheng Jinhui Juye Properties")	*(7)*	PRC/ Mainland China/ March 9, 2011	RMB100,000	96.00%	Property development
福建金輝安徽房地產有限公司 Fujian Jinhui Anhui Properties Co., Ltd. ("Fujian Jinhui Anhui Properties")	*(7)*	PRC/ Mainland China/ February 16, 2011	RMB100,000	96.00%	Property development
安徽融輝置業有限公司 Anhui Ronghui Real Estate Co., Ltd. ("Anhui Ronghui Real Estate")	*(7)*	PRC/ Mainland China/ May 11, 2011	RMB100,000	96.00%	Property development
安徽啟輝置業有限公司 Anhui Qihui Real Estate. Co., Ltd. ("Anhui Qihui Real Estate")	*(8)*	PRC/ Mainland China/ September 15, 2017	RMB100,000	96.00%	Property development
安徽皖輝置業有限公司 Anhui Wanhui Real Estate Co., Ltd. ("Anhui Wanhui Real Estate")	*(10)*	PRC/ Mainland China/ August 1, 2018	RMB100,000	67.20%	Property development
鎮江融輝置業有限公司 Zhengjiang Ronghui Real Estate Co., Ltd. ("Zhengjiang Ronghui Real Estate")	*(10)*	PRC/ Mainland China/ June 22, 2018	RMB100,000	96.00%	Property development
徐州輝耀房地產開發有限公司 Xuzhou Huiyao Properties Development Co., Ltd. ("Xuzhou Huiyao Properties")	*(10)*	PRC/ Mainland China/ June 25, 2018	RMB20,000	96.00%	Property development
天津啟輝房地產開發有限公司 Tianjin Qihui Properties Development Co., Ltd ("Tianjin Qihui Properties")	*(17)*	PRC/ Mainland China/ February 11, 2019	RMB50,000	96.00%	Property development
天津祥輝房地產開發有限公司 Tianjin Xianghui Properties Development Co., Ltd. ("Tianjin Xianghui Properties")	*(17)*	PRC/ Mainland China/ April 1,2019	RMB50,000	96.00%	Property development
揚州融宇房地產開發有限公司 Yangzhou Rongyu Properties Development Co., Ltd. ("Yangzhou Rongyu Properties")	*(17)*	PRC/ Mainland China/ February 1, 2019	RMB50,000	96.00%	Property development

Subsidiaries	Notes	Place and date of incorporation/ establishment and place of operations	Nominal value of registered share capital ('000)	Effective percentage of equity interest attributable to the Company	Principal activities
蘇州啟輝置業有限公司 Suzhou Qihui Real Estate Co., Ltd. ("Suzhou Qihui Real Estate")	*(18)*	PRC/ Mainland China/ January 24, 2019	RMB300,000	67.20%	Property development
鹽城啟輝置業有限公司 Yancheng Qihui Real Estate Co., Ltd. ("Yancheng Qihui Real Estate")	*(17)*	PRC/ Mainland China/ April 11, 2019	RMB150,000	96.00%	Property development
惠州市恒興業房地產開發有限公司 Huizhou Hengxingye Properties Development Co., Ltd. ("Huizhou Hengxingye Properties")	*(22)*	PRC/ Mainland China/ September 5, 2017	RMB37,500	96.00%	Property development
武漢耀星房地產開發有限責任公司 Wuhan Yaoxing Properties Development Co., Ltd. ("Wuhan Yaoxing Properties")	*(17)*	PRC/ Mainland China/ March 27, 2019	RMB1,000,000	62.40%	Property development
鎮江融宇房地產開發有限公司 Zhenjiang Rongyu Properties Development Co., Ltd. ("Zhenjiang Rongyu Properties Development")	*(17)*	PRC/ Mainland China/ April 17, 2019	RMB50,000	96.00%	Property development
重慶金永禾房地產開發有限公司 Chongqing Jinyonghe Real Estate Development Co., Ltd. ("Chongqing Jinyonghe Real Estate")	*(17,23)*	PRC/ Mainland China/ October 10, 2019	RMB200,000	48.96%	Property development
安徽金輝房地產開發有限公司 Anhui Jinhui Real Estate Development Co., Ltd. ("Anhui Jinhui Real Estate")	*(17)*	PRC/ Mainland China/ July 12, 2019	RMB50,000	96.00%	Property development
天津金輝啓陽投資有限公司 Tianjin Jinhui Qiyang Investment Co., Ltd. ("Tianjin Jinhui Qiyang Investment")	*(19)*	PRC/ Mainland China/ December 19, 2019	US$500,000	100.00%	Investment Management
福建鑫聯輝房地產開發有限公司 Fujian Xinlianhui Properties Development Co., Ltd. ("Fujian Xinlianhui Properties")	*(17)*	PRC/ Mainland China/ February 18, 2019	RMB10,000	81.60%	Property development
武漢三江匯物流投資有限公司 Wuhan Sanjianghui Logistics Investment Co., Ltd. ("Wuhan Sanjianghui")	*(2,20)*	PRC/ Mainland China/ January 28, 2013	RMB500,000	38.40%	Property development
紹興啟輝置業有限公司 Shaoxing Qihui Real Estate Co., Ltd. ("Shaoxing Qihui Real Estate")	*(24)*	PRC/ Mainland China/ March 2, 2020	RMB50,000	96.00%	Property development

The English names of all group companies registered in the PRC represent the best efforts made by the management of the Company to translate their Chinese names as they do not have an official English name. The legal form of all the above disclosed principal subsidiaries are limited liability companies.

Notes:

(1) Foshan Longguang Jingjun is accounted for as a subsidiary of the Group by holding 48% of equity interest because the Group has been delegated 50% of the equity holder's right from the other equity holder to control and operate Foshan Longguang Jingjun.

(2) Pursuant to articles of association, the Group has been entitled with enough voting right to control and operate these entities. Thus, these entities are accounted for as subsidiaries of the Group by holding less than 50% of equity interest in them, such as the Group has 51% voting right in Hefei Shengzhuo to control and operate it.

(3) The Group legally transferred partial equity interests of these subsidiaries as collateral to trust financing companies during the Relevant Periods. Under such trust financing arrangements, the Group was obliged to purchase at a fixed amount on a future date upon repayment of the borrowings from the trust financing companies.

In addition, the Group retains the power to control these companies in the ordinary course of business by confirmations from the legal equity holders. In this regard, considering the facts that the substance of the arrangements is to collateralize some equity interests in these companies for the borrowings for project development and the Group retains the practical ability to govern the financial and operating policies of these project companies so as to obtain benefits from the operating activities of these project companies, the directors of the Company are of the view that the financial position and operating results of these companies should be consolidated into the Group's financial statements.

As at the date of the report, Xi'an Qujiang Yuanshan Real Estate, Nanjing Huiyao Properties, Fuzhou Jinhui Juye Properties, Hangzhou Ronghui Real Estate, Foshan Penghui Properties and Suzhou Ronghui Properties, Hangzhou Qiying Enterprise Management have fully settled the outstanding principal and interest to the trust financing companies. However, Fuzhou Jinhui Juye Properties was in the administrative process of updating Business Registration.

(4) No audited financial statements have been prepared for these entities since incorporation, as these entities were not subject to any statutory audit requirements under the relevant rules and regulations in their jurisdictions of incorporation.

(5) No audited financial statements have been prepared and issued for the years ended December 31, 2017, 2018 and 2019, as these entities were not subject to any statutory audit requirements under the relevant rules and regulations in these years.

(6) On December 28, 2018, Jinhui Huayuan and Jinhui Xinyuan became indirect wholly-owned subsidiaries of the Group. For more details, refer to note 38.

The statutory financial statements of these entities for the year ended December 31, 2018 prepared in accordance with generally accepted accounting principles in the People's Republic of China ("PRC GAAP") and regulations were audited by Jiangsu Tin Certified Public Accountants Co., Ltd. (江蘇天寧會計師事務所有限公司), a certified public accounting firm registered in the PRC.

The statutory financial statements of these entities for the year ended December 31, 2019 prepared in accordance with generally accepted accounting principles in the People's Republic of China ("PRC GAAP") and regulations were audited by Jiangsu ARK Certified Public Accountants Co., Ltd. (江蘇海天會計師事務所有限公司), a certified public accounting firm registered in the PRC.

(7) The statutory financial statements of these entities for the year ended December 31, 2017 prepared in accordance with PRC GAAP and regulations were audited by Fujian Huacheng Certified Public Accountants Co., Ltd. (福建華成會計師事務所有限公司), a certified public accounting firm registered in the PRC.

The statutory financial statements of these entities for the years ended December 31, 2018 and 2019 prepared in accordance with PRC GAAP and regulations were audited by Mazars Certified Public Accountants LLP. Fujian Branch (中審眾環會計師事務所(特殊普通合夥)福建分所), a certified public accounting firm registered in the PRC.

(8) The statutory financial statements of these entities for the period from the date of their incorporation to December 31, 2017 prepared in accordance with PRC GAAP and regulations were audited by Fujian Huacheng Certified Public Accountants Co., Ltd. (福建華成會計師事務所有限公司), a certified public accounting firm registered in the PRC.

The statutory financial statements of these entities for the years ended December 31, 2018 and 2019 prepared in accordance with PRC GAAP and regulations were audited by Mazars Certified Public Accountants LLP. Fujian Branch (中審眾環會計師事務所(特殊普通合夥)福建分所), a certified public accounting firm registered in the PRC.

(9) The statutory financial statements of these entities for the years ended December 31, 2018 and 2019 prepared in accordance with PRC GAAP and regulations were audited by Mazars Certified Public Accountants LLP. Fujian Branch (中審眾環會計師事務所(特殊普通合夥)福建分所), a certified public accounting firm registered in the PRC. No audited financial statements have been prepared and issued for the year ended December 31, 2017.

(10) The statutory financial statements of these entities for the period from the date of their incorporation to December 31, 2018 and for the year ended December 31, 2019 prepared in accordance with PRC GAAP and regulations were audited by Mazars Certified Public Accountants LLP. Fujian Branch (中審眾環會計師事務所(特殊普通合夥)福建分所), a certified public accounting firm registered in the PRC.

(11) The statutory financial statements of these entities for the year ended December 31, 2018 prepared in accordance with PRC GAAP and regulations were audited by Z Pan-China Certified Public Accountants (天健會計師事務所), a certified public accounting firm registered in the PRC. No audited financial statements have been prepared and issued for the year ended December 31, 2017.

The statutory financial statements of these entities for the year ended December 31, 2019 prepared in accordance with PRC GAAP and regulations were audited by Mazars Certified Public Accountants LLP. Fujian Branch (中審眾環會計師事務所(特殊普通合夥)福建分所), a certified public accounting firm registered in the PRC.

(12) The statutory financial statements of this entity for the period from the date of its incorporation to December 31, 2017 prepared in accordance with PRC GAAP and regulations were audited by Zhejiang Henghui Certified Public Accountants (浙江恒惠會計師事務所), a certified public accounting firm registered in the PRC.

The statutory financial statements of this entity for the year ended December 31, 2018 prepared in accordance with PRC GAAP and regulations were audited by Z Pan-China Certified Public Accountants (天健會計師事務所), a certified public accounting firm registered in the PRC.

The statutory financial statements of this entity for the year ended December 31, 2019 prepared in accordance with PRC GAAP and regulations were audited by Mazars Certified Public Accountants LLP. Fujian Branch (中審眾環會計師事務所(特殊普通合夥)福建分所), a certified public accounting firm registered in the PRC.

(13) The statutory financial statements of these entities for the years ended December 31, 2017 and 2018 prepared in accordance with PRC GAAP and regulations were audited by Beijing Huatongjian Certified Public Accountants Jiangsu branch (北京華通鑒會計師事務所有限責任公司江蘇分所), a certified public accounting firm registered in the PRC.

The statutory financial statements of these entities for the year ended December 31, 2019 prepared in accordance with PRC GAAP and regulations were audited by Huaian Zhongzhenhuaxin Certified Public Accountants (淮安中振華信會計師事務所), a certified public accounting firm registered in the PRC.

(14) The statutory financial statements of these entities for the years ended December 31, 2018 and 2019 prepared in accordance with PRC GAAP and regulations were audited by Huizhoushi Anxin Certified Public Accountants Co., Ltd. (惠州市安信會計師事務所有限公司), a certified public accounting firm registered in the PRC. No audited financial statements have been prepared and issued for the year ended December 31, 2017.

(15) The statutory financial statements of this entity for the years ended December 31, 2017, 2018 and 2019 prepared in accordance with the Hong Kong Financial Reporting Standards ("HKFRS") and regulations were audited by K.F.YAU&CO. Certified Public Accountants Hong Kong (丘家輝會計師事務所), a certified public accounting firm registered in Hong Kong.

(16) The statutory financial statements of this entity for the year ended December 31, 2019 prepared in accordance with HKFRS and regulations were audited by K.F.YAU&CO. Certified Public Accountants Hong Kong (丘家輝會計師事務所), a certified public accounting firm registered in Hong Kong. No audited financial statements have been prepared and issued for the years ended December 31, 2017 and 2018.

(17) The statutory financial statements of these entities for the period from the date of their incorporation to December 31, 2019 prepared in accordance with PRC GAAP and regulations were audited by Mazars Certified Public Accountants LLP. Fujian Branch (中審眾環會計師事務所(特殊普通合夥)福建分所), a certified public accounting firm registered in the PRC.

(18) The statutory financial statements of this entity for the period from the date of its incorporation to December 31, 2019 prepared in accordance with PRC GAAP and regulations were audited by Jiangsu Haitian certified public accountants Co., Ltd (江蘇海天會計師事務所有限公司), a certified public accounting firm registered in the PRC.

(19) The statutory financial statements of this entity for the period from the date of its incorporation to December 31, 2019 prepared in accordance with PRC GAAP and regulations were audited by Tianjin Jianxin Certified Public Accountants LLP. (天津健信會計師事務所（普通合夥）), a certified public accounting firm registered in the PRC.

(20) The statutory financial statements of these entities for the year ended December 31, 2019 prepared in accordance with PRC GAAP and regulations were audited by Mazars Certified Public Accountants LLP. Fujian Branch (中審眾環會計師事務所(特殊普通合夥)福建分所), a certified public accounting firm registered in the PRC. No audited financial statements have been prepared and issued for the years ended December 31, 2017 and 2018.

(21) The statutory financial statements of this entity for the year ended December 31, 2019 prepared in accordance with PRC GAAP and regulations were audited by Huizhoushi Anxin Certified Public Accountants Co., Ltd. (惠州市安信會計師事務所有限公司), a certified public accounting firm registered in the PRC. No audited financial statements have been prepared and issued for the years ended December 31, 2017 and 2018.

(22) The statutory financial statements of this entity for the period from the date of its incorporation to December 31, 2019 prepared in accordance with PRC GAAP and regulations were audited by Huizhoushi Anxin Certified Public Accountants Co., Ltd. (惠州市安信會計師事務所有限公司), a certified public accounting firm registered in the PRC.

(23) Chongqing Jinyonghe Real Estate is accounted for as a subsidiary of the Group by holding 48.96% of equity interest because a non-wholly owned subsidiary of the Company, Chongqing Ronghui Properties, holds its 51% equity interest to control and operate it.

(24) No audited financial statements have been audited for this entity, as this entity is newly established in 2020.

2.1 Basis of Presentation

Pursuant to the Reorganization, as more fully explained in the paragraph headed "Reorganization" in the section headed "History, Reorganization and Corporate Structure" in the Prospectus, the Company became the holding company of the companies now comprising the Group on March 5, 2020. As the Reorganization involved inserting new holding companies at the top of an existing company and has not resulted in a change in economic substance, the Historical Financial Information for the Relevant Periods has been presented as a continuation of the then holding company by applying the principles of merger accounting as if the Reorganization had been completed at the beginning of the Relevant Periods.

The consolidated statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows of the Group for the Relevant Periods include the results and cash flows of all companies now comprising the Group from the earliest date presented or since the date when the subsidiaries and/or businesses first came under the common control of the controlling shareholders, where this is a shorter period. The consolidated statements of financial position of the Group as at December 31, 2017, 2018 and 2019 and April 30, 2020 have been prepared to present the assets and liabilities of the subsidiaries using the existing book values from the Controlling Shareholders' perspective. No adjustments are made to reflect fair values, or recognise any new assets or liabilities as a result of the Reorganization.

Equity interests in subsidiaries held by parties other than the controlling shareholders, and changes therein, prior to the Reorganization are presented as non-controlling interests in equity in applying the principles of merger accounting.

Profit or loss is attributed to the owners of the parent and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance.

All intra-group transactions and balances have been eliminated on combination in full.

2.2 Basis of Preparation

The Historical Financial Information has been prepared in accordance with International Financial Reporting Standards ("IFRSs"), which comprise all standards and interpretations approved by the International Accounting Standards Board (the "IASB"). All IFRSs effective for the accounting period commencing from January 1, 2020, together with the relevant transitional provisions, have been early adopted by the Group in the preparation of the Historical Financial Information throughout the Relevant Periods and in the period covered by the Interim Comparative Financial Information. The Group has adopted IFRS 9, IFRS 15, IFRS 16, IFRIC 23, amendments to IFRS 9, IAS 39 and IFRS 7, amendments to IFRS 3 and amendments to IAS 1 and IAS 8 on a consistent basis throughout the Relevant Periods.

The Historical Financial Information has been prepared under the historical cost convention, except for investment properties and financial assets at fair value through profit or loss ("FVTPL") which have been measured at fair value.

2.3 Issued but not yet Effective IFRSs

The Group has not applied the following new and revised IFRSs, that have been issued but are not yet effective, in this Historical Financial Information. The Group intends to adopt them, if applicable, when they become effective.

Amendments to IFRS 10 and IAS 28	*Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*[4]
IFRS 17	*Insurance Contracts*[2]
Amendments to IAS 1	*Classification of Liabilities as Current or Non-current*[3]
Amendments to IFRS 3	*Reference to the Conceptual Framework*[3]
Amendments to IFRS 16	*Covid-19-Related Rent Concessions*[1]
Amendments to IAS 16	*Property, Plant and Equipment: Proceeds before Intended Use*[3]
Amendments to IAS 37	*Onerous Contract – Cost of Fulfilling a Contract*[3]
Annual Improvements to IFRSs 2018-2020	*Amendments to IFRS 1, IFRS 9, IAS 41 and Illustrative Examples accompanying IFRS 16*[3]

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

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

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

4 No mandatory effective date yet determined but available for adoption

Further information about those IFRSs that are expected to be applicable to the Group is described below.

Amendments to IFRS 10 and IAS 28 address an inconsistency between the requirements in IFRS 10 and in IAS 28 in dealing with the sale or contribution of assets between an investor and its associate or joint venture. The amendments require a full recognition of a gain or loss when the sale or contribution of assets between an investor and its associate or joint venture constitutes a business. For a transaction involving assets that do not constitute a business, a gain or loss resulting from the transaction is recognized in the investor's profit or loss only to the extent of the unrelated investor's interest in that associate or joint venture. The amendments are to be applied prospectively. The previous mandatory effective date of amendments to IFRS 10 and IAS 28 was removed by the IASB in December 2015 and a new mandatory effective date will be determined after the completion of a broader review of accounting for associates and joint ventures. However, the amendments are available for adoption now.

Amendments to IAS 1 clarify the criteria for determining whether to classify a liability as current or non-current. The amendments specify that the conditions which exist at the end of the reporting period are those which will be used to determine if a right to defer settlement of a liability exists. The amendments clarify the situations that are considered settlement of a liability. The new guidance will be effective for annual periods starting on or after January 1, 2022. Early application is permitted. The amendments are not expected to have any significant impact on the Group's financial statements.

For the other amendments not abovementioned, the directors of the Company are in the view of that application of these amendments are not expected to have any significant impact on the Group's financial statements.

2.4 Summary of Significant Accounting Policies

Subsidiaries

A subsidiary is an entity (including a structured entity), directly or indirectly, controlled by the Company.

Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee (i.e., existing rights that give the Group the current ability to direct the relevant activities of the investee).

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

(a) the contractual arrangement with the other vote holders of the investee;

(b) rights arising from other contractual arrangements; and

(c) the Group's voting rights and potential voting rights.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control described in the accounting policy for subsidiaries above. A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. The results of subsidiaries are included in the Company's statements of profit or loss and other comprehensive income to the extent of dividends received and receivable. The Company's investments in subsidiaries that are not classified as held for sale in accordance with IFRS 5 *Non-current Assets Held for Sale and Discontinued Operations* are stated at cost less any impairment losses.

Business Combinations and Goodwill

Business combinations other than those under common control are accounted for using the acquisition method. The consideration transferred is measured at the acquisition date fair value which is the sum of the acquisition date fair values of assets transferred by the Group, liabilities assumed by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree that are present ownership interests and entitle their holders to a proportionate share of net assets in the event of liquidation at fair value or at the proportionate share of the acquiree's identifiable net assets. All other components of non-controlling interests are measured at fair value. Acquisition-related costs are expensed as incurred.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts of the acquiree.

If the business combination is achieved in stages, the previously held equity interest is remeasured at its acquisition date fair value and any resulting gain or loss is recognized in profit or loss.

Any contingent consideration to be transferred by the acquirer is recognized at fair value at the acquisition date. Contingent consideration classified as an asset or liability is measured at fair value with changes in fair value recognized in profit or loss. Contingent consideration that is classified as equity is not remeasured and subsequent settlement is accounted for within equity.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred, the amount recognized for non-controlling interests and any fair value of the Group's previously held equity interests in the acquiree over the identifiable net assets acquired and liabilities assumed. If the sum of this consideration and other items is lower than the fair value of the net assets acquired, the difference is, after reassessment, recognized in profit or loss as a gain on bargain purchase.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. Goodwill is tested for impairment annually or more frequently if events or changes in circumstances indicate that the carrying value may be impaired. The Group performs its annual impairment test of goodwill as at December 31. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units, or groups of cash-generating units, that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the Group are assigned to those units or groups of units.

Impairment is determined by assessing the recoverable amount of the cash-generating unit (group of cash-generating units) to which the goodwill relates. Where the recoverable amount of the cash-generating unit (group of cash-generating units) is less than the carrying amount, an impairment loss is recognized. An impairment loss recognized for goodwill is not reversed in a subsequent period.

Where goodwill has been allocated to a cash-generating unit (or group of cash-generating units) and part of the operation within that unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on the disposal. Goodwill disposed of in these circumstances is measured based on the relative value of the operation disposed of and the portion of the cash-generating unit retained.

Investments in Associates and Joint Ventures

An associate is an entity in which the Group has a long-term interest of generally not less than 20% of the equity voting rights and over which it is in a position to exercise 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 type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

The Group's investments in associates and joint ventures are stated in the consolidated statements of financial position at the Group's share of net assets under the equity method of accounting, less any impairment losses. Adjustments are made to bring into line any dissimilar accounting policies that may exist. The Group's share of the post-acquisition results and other comprehensive income of associates and joint ventures is included in the consolidated statements of profit or loss and other comprehensive income. In addition, when there has been a change recognized directly in the equity of the associate, the Group recognizes its share of any changes, when applicable, in the consolidated statements of changes in equity. Unrealized gains and losses resulting from transactions between the Group and its associates are eliminated to the extent of the Group's investments in the associates, except where unrealized losses provide evidence of an impairment of the assets transferred. Goodwill arising from the acquisition of associates or joint ventures is included as part of the Group's investments in associates or joint ventures.

If an investment in an associate becomes an investment in a joint venture or vice versa, the retained interest is not remeasured. Instead, the investment continues to be accounted for under the equity method. In all other cases, upon loss of significant influence over the associate or joint control over the joint venture, the Group measures and recognizes any retained investment at its fair value. Any difference between the carrying amount of the associate or joint venture upon loss of significant influence or joint control and the fair value of the retained investment and proceeds from disposal is recognized in profit or loss.

When an investment in an associate or a joint venture is classified as held for sale, it is accounted for in accordance with IFRS 5 *Non-current Assets Held for Sale and Discontinued Operations*.

Fair Value Measurement

The Group measures its investment properties, financial assets at FVTPL and financial liabilities at FVTPL at fair value at the end of each of the Relevant Periods. 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. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability, or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the Group. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 – based on quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2 – based on valuation techniques for which the lowest level input that is significant to the fair value measurement is observable, either directly or indirectly

Level 3 – based on valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognized in the Historical Financial Information on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each of the Relevant Periods.

Impairment of Non-Financial Assets

Where an indication of impairment exists, or when annual impairment testing for an asset is required (other than financial assets, properties under development, completed properties held for sale and investment properties), the asset's recoverable amount is estimated. An asset's recoverable amount is the higher of the asset's or cash-generating unit's value in use and its fair value less costs of disposal, and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets, in which case the recoverable amount is determined for the cash-generating unit to which the asset belongs.

An impairment loss is recognized only if the carrying amount of an asset exceeds its recoverable amount. 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. An impairment loss is charged to profit or loss in the period in which it arises in those expense categories consistent with the function of the impaired asset.

An assessment is made at the end of each of the Relevant Periods as to whether there is an indication that previously recognized impairment losses may no longer exist or may have decreased. If such an indication exists, the recoverable amount is estimated. A previously recognized impairment loss of an asset other than goodwill is reversed only if there has been a change in the estimates used to determine the recoverable amount of that asset, but not to an amount higher than the carrying amount that would have been determined (net of any depreciation/amortization) had no impairment loss been recognized for the asset in prior years. A reversal of such an impairment loss is credited to profit or loss in the period in which it arises, unless the asset is carried at a revalued amount, in which case the reversal of the impairment loss is accounted for in accordance with the relevant accounting policy for that revalued asset.

Related Parties

A party is considered to be related to the Group if:

(a) the party is a person or a close member of that person's family and that person

(i) has control or joint control over the Group;

(ii) has significant influence over the Group; or

(iii) is a member of the key management personnel of the Group or of a parent of the Group;

or

(b) the party is an entity where any of the following conditions applies:

(i) the entity and the Group are members of the same group;

(ii) one entity is an associate or joint venture of the other entity (or of a parent, subsidiary or fellow subsidiary of the other entity);

(iii) the entity and the Group are joint ventures of the same third party;

(iv) one entity is a joint venture of a third entity and the other entity is an associate of the third entity;

(v) the entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group;

(vi) the entity is controlled or jointly controlled by a person identified in (a);

(vii) a person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity); and

(viii) the entity, or any member of a group of which it is a part, provides key management personnel services to the Group or to the parent of the Group.

Property, Plant and Equipment and Depreciation

Property, plant and equipment, other than construction in progress, are stated at cost less accumulated depreciation and any impairment losses. The cost of an item of property, plant and equipment comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use.

Expenditure incurred after items of property, plant and equipment have been put into operation, such as repairs and maintenance, is normally charged to the statements of profit or loss and other comprehensive income in the period in which it is incurred. In situations where the recognition criteria are satisfied, the expenditure for a major inspection is capitalized in the carrying amount of the asset as a replacement. Where significant parts of property, plant and equipment are required to be replaced at intervals, the Group recognizes such parts as individual assets with specific useful lives and depreciates them accordingly.

Depreciation is calculated on the straight-line basis to write off the cost of each item of property, plant and equipment to its residual value over its estimated useful life. The principal annual rates used for this purpose are as follows:

Buildings	2.25–4.75%
Motor vehicles	11.25–31.67%
Office equipment and electronic devices	18.00–32.33%
Leasehold improvements	Over the shorter of the lease terms and benefit period

Where parts of an item of property, plant and equipment have different useful lives, the cost of that item is allocated on a reasonable basis among the parts and each part is depreciated separately. Residual values, useful lives and the depreciation method are reviewed, and adjusted if appropriate, at least at each financial year end.

An item of property, plant and equipment including any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss on disposal or retirement recognized in the statements of profit or loss and other comprehensive income in the year the asset Derecognized is the difference between the net sales proceeds and the carrying amount of the relevant asset.

Construction in progress represents a building under construction, which is stated at cost less any impairment losses, and is not depreciated. Cost comprises the direct costs of construction and capitalized borrowing costs on related borrowed funds during the period of construction. Construction in progress is reclassified to the appropriate category of property, plant and equipment when completed and ready for use.

Investment Properties

Investment properties are interests in land and buildings (including the leasehold property held as a right-of-use asset which would otherwise meet the definition of an investment property) held to earn rental income and/or for capital appreciation, rather than for use in the production or supply of goods or services or for administrative purposes; or for sale in the ordinary course of business. Such properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at fair value, which reflects market conditions at the end of each of the Relevant Periods.

Gains or losses arising from changes in the fair values of investment properties are included in profit or loss in the year in which they arise.

Any gains or losses on the retirement or disposal of an investment property are recognized in profit or loss in the year of the retirement or disposal.

For a transfer from investment properties to owner-occupied properties or inventories, the deemed cost of a property for subsequent accounting is its fair value at the date of change in use. If a property occupied by the Group as an owner-occupied property becomes an investment property, the Group accounts for such property in accordance with the policy stated under "Property, plant and equipment and depreciation" for owned property and/or accounts for such property in accordance with the policy stated under "Right-of-use assets" for property held as a right-of-use asset up to the date of change in use, and any difference at that date between the carrying amount and the fair value of the property is accounted for as a revaluation in accordance with the policy stated under "Property, plant and equipment and depreciation" above. For a transfer from inventories to investment properties, any difference between the fair value of the property at that date and its previous carrying amount is recognized in the profit or loss.

Transfers to or from Investment Property

Transfers to or from investment property shall be made when and only when there is a change in use evidenced by:

(a) commencement of owner-occupation, for a transfer from investment property to owner-occupied property;

(b) commencement of development with a view to sale, for a transfer from investment property to inventories;

(c) end of owner-occupation, for a transfer from owner-occupied property to investment property; or

(d) commencement of an operating lease to another party, for a transfer from inventories to investment property.

Properties Under Development

Properties under development are intended to be held for sale after completion.

Properties under development are stated at the lower of cost comprising land costs, construction costs, borrowing costs, professional fees and other costs directly attributable to such properties incurred during the development period and net realizable value.

Properties under development are classified as current assets unless those will not be realized in normal operating cycle. On completion, the properties are transferred to completed properties held for sale.

Completed Properties Held for Sale

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

Allocation of Property Development Costs

Land costs are allocated to each unit according to their respective saleable gross floor areas ("GFA") to the total saleable GFA. Construction costs relating to units were identified and allocated specifically. Common construction costs have been allocated according to the saleable GFA similar to land costs.

Intangible Assets (Other than Goodwill)

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is the fair value at the date of acquisition. The useful lives of intangible assets are assessed to be either finite or indefinite. Intangible assets with finite live are subsequently amortized over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at each financial year end.

Software is stated at cost less any impairment loss and is amortized on the straight-line basis over its estimated useful life of 2 to 10 years. The Group usually classifies the internet software with higher turnover rate and lower cost like application based on WeChat to a shorter useful life as 2 years and the system software with high compatibility and stable service output which satisfies the operation well and has no need for frequent technological updates and maintenance, like ERP system to a longer useful life as 10 years.

Gains or losses arising from derecognition of an intangible asset are measured at the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in profit or loss in the period when the asset is derecognized.

Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as a Lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognizes lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

(a) Right-of-Use Assets

Right-of-use assets are recognized at the commencement date of the lease (that is the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and any impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease terms and the estimated useful lives of the assets as follows:

Land use rights	40 to 50 years
Office buildings	3 to 5 years

If ownership of the leased asset transfers to the Group by the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

When the right-of-use assets relate to interests in leasehold land held as inventories, they are subsequently measured at the lower of cost and net realizable value in accordance with the Group's policy for "properties under development" or "completed properties held for sale". When a right-of-use asset meets the definition of investment property, it is included in investment properties. The corresponding right-of-use asset is initially measured at cost, and subsequently measured at fair value, in accordance with the Group's policy for "investment properties".

(b) Lease Liabilities

Lease liabilities are recognized at the commencement date of the lease at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for termination of a lease, if the lease term reflects the Group exercising the option to terminate. The variable lease payments that do not depend on an index or a rate are recognized as an expense in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in lease payments (e.g., a change to future lease payments resulting from a change in an index or rate) or a change in assessment of an option to purchase the underlying asset.

(c) Short-Term Leases and Leases of Low-Value Assets

The Group applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (that is those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the recognition exemption for leases of low-value assets to leases of office equipment and electronic devices that are considered to be of low value.

When the Group enters into a lease in respect of a low-value asset, the Group decides whether to capitalize the lease on a lease-by-lease basis. Lease payments on short-term leases and leases of low-value assets are recognized as an expense on a straight-line basis over the lease term.

Group as a Lessor

When the Group acts as a lessor, it classifies at lease inception (or when there is a lease modification) each of its leases as either an operating lease or a finance lease.

Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. When a contract contains lease and non-lease components, the Group allocates the consideration in the contract to each component on a relative stand-alone selling price basis. Rental income is accounted for on a straight-line basis over the lease terms and is included in revenue in profit or loss due to its operating nature. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognized over the lease term on the same basis as rental income. Contingent rents are recognized as revenue in the period in which they are earned.

Leases that transfer substantially all the risks and rewards incidental to ownership of an underlying asset to the lessee are accounted for as finance leases.

At the commencement date, the cost of the leased asset is capitalized at the present value of the lease payments and related payments (including the initial direct costs) and presented as a receivable at an amount equal to the net investment in the lease. The finance income of such leases is recognized in profit or loss so as to provide a constant periodic rate of charge over the lease terms.

When the Group is an intermediate lessor, a sublease is classified as a finance lease or operating lease with reference to the right-of-use asset arising from the head lease. If the head lease is a short-term lease to which the Group applies the statement of financial position recognition exemption, the Group classifies the sublease as an operating lease.

Investments and Other Financial Assets

Initial Recognition and Measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortized cost, fair value through other comprehensive income, and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient of not adjusting the effect of a significant financing component, the Group initially measures a financial asset at its fair value, plus in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under IFRS 15 in accordance with the policies set out for "Revenue recognition" below.

In order for a financial asset to be classified and measured at amortized cost or fair value through other comprehensive income, it needs to give rise to cash flows that are solely payments of principal and interest ("SPPI") on the principal amount outstanding. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortized cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows, while financial assets classified and measured at fair value through other comprehensive income are held within a business model with the objective of both holding to collect contractual cash flows and selling. Financial assets which are not held within the aforementioned business models are classified and measured at fair value through profit or loss.

All regular way purchases and sales of financial assets are recognized on the trade date, that is, the date that the Group commits to purchase or sell the asset. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the marketplace.

Subsequent Measurement

The subsequent measurement of financial assets depends on their classification as follows:

Financial Assets at Amortized Cost (Debt Instruments)

Financial assets at amortized cost are subsequently measured using the effective interest method and are subject to impairment. Gains and losses are recognized in profit or loss when the asset is derecognized, modified or impaired.

Financial Assets at FVTPL

Financial assets at FVTPL are carried in the statement of financial position at fair value with net changes in fair value recognized in profit or loss.

This category includes equity investments which the Group had not irrevocably elected to classify at fair value through other comprehensive income. Dividends on equity investments classified as financial assets at fair value through profit or loss are also recognized as other income in the statements of profit or loss and other comprehensive income when the right of payment has been established, it is probable that the economic benefits associated with the dividend will flow to the Group and the amount of the dividend can be measured reliably.

Derecognition of Financial Assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized (i.e., removed from the Group's consolidated statements of financial position) when:

- the rights to receive cash flows from the asset have expired; or
- the Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a "pass-through" arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risk and rewards of ownership of the asset. When it has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the Group continues to recognize the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

Impairment of Financial Assets

The Group recognizes an allowance for expected credit losses ("ECLs") for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

General Approach

ECLs are recognized in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12 months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

At the end of each of the Relevant Periods, the Group assesses whether the credit risk on a financial instrument has increased significantly since initial recognition. When making the assessment, 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 and considers reasonable and supportable information that is available without undue cost or effort, including historical and forward-looking information.

In certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Financial assets at amortized cost are subject to impairment under the general approach and they are classified within the following stages for measurement of ECLs except for trade receivables which apply the simplified approach as detailed below.

Stage 1 — Financial instruments for which credit risk has not increased significantly since initial recognition and for which the loss allowance is measured at an amount equal to 12-month ECLs

Stage 2 — Financial instruments for which credit risk has increased significantly since initial recognition but that are not credit-impaired financial assets and for which the loss allowance is measured at an amount equal to lifetime ECLs

Stage 3 — Financial assets that are credit-impaired at the reporting date (but that are not purchased or originated credit-impaired) and for which the loss allowance is measured at an amount equal to lifetime ECLs

Simplified Approach

For trade receivables that do not contain a significant financing component or when the Group applies the practical expedient of not adjusting the effect of a significant financing component, the Group applies the simplified approach in calculating ECLs. Under the simplified approach, the Group does not track changes in credit risk, but instead recognizes a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

For lease receivables, the Group chooses as its accounting policy to adopt the simplified approach in calculating ECLs with policies as described above.

Financial Liabilities

Initial Recognition and Measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at FVTPL, loans and borrowings, or payables, as appropriate.

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include lease liabilities, interest-bearing bank and other borrowings, corporate bonds, senior notes and proceeds from asset-backed securities (collectively called "loans and borrowings"), trade and bills payables, other payables, and amounts due to related parties.

Subsequent Measurement

The subsequent measurement of financial liabilities depends on their classification as follows:

Financial Liabilities at Amortized Cost (Loans and Borrowings)

After initial recognition, loans and borrowings are subsequently measured at amortized cost, using the effective interest rate method unless the effect of discounting would be immaterial, in which case they are stated at cost. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the effective interest rate amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The effective interest rate amortization is included in finance costs in profit or loss.

Financial Guarantee Contracts

Financial guarantee contracts issued by the Group are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. A financial guarantee contract is recognized initially as a liability at its fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequent to initial recognition, the Group measures the financial guarantee contracts at the higher of: (i) the ECL allowance determined in accordance with the policy as set out in "Impairment of financial assets"; and (ii) the amount initially recognized less, when appropriate, the cumulative amount of income recognized.

Derecognition of Financial Liabilities

A financial liability is derecognized when the obligation under the liability is discharged or canceled or expires.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and a recognition of a new liability, and the difference between the respective carrying amounts is recognized in profit or loss.

Offsetting of Financial Instruments

Financial assets and financial liabilities are offset, and the net amount is reported in the statement of financial position if, and only if, there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Cash and Cash Equivalents

For the purpose of the consolidated statements of cash flows, cash and cash equivalents comprise cash on hand and demand deposits, and short term highly liquid investments that are readily convertible into known amounts of cash, are subject to an insignificant risk of changes in value, and have a short maturity of generally within three months when acquired, less bank overdrafts which are repayable on demand and form an integral part of the Group's cash management.

For the purpose of the consolidated statements of financial position, cash and cash equivalents comprise cash on hand and at banks, including term deposits, and assets similar in nature to cash, which are not restricted as to use.

Provisions

A provision is recognized when a present obligation (legal or constructive) has arisen as a result of a past event and it is probable that a future outflow of resources will be required to settle the obligation, provided that a reliable estimate can be made of the amount of the obligation.

When the effect of discounting is material, the amount recognized for a provision is the present value at the end of the reporting period of the future expenditures expected to be required to settle the obligation. The increase in the discounted present value amount arising from the passage of time is included in the statements of profit or loss and other comprehensive income.

Income Tax

Income tax comprises current and deferred tax. Income tax relating to items recognized outside profit or loss is recognized outside profit or loss, either in other comprehensive income or directly in equity.

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period, taking into consideration interpretations and practices prevailing in the countries in which the Group operates.

Deferred tax is provided, using the liability method, on all temporary differences at the end of the reporting period between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognized for all taxable temporary differences, except:

- where the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and

- in respect of taxable temporary differences associated with investments in subsidiaries, associates and joint ventures when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognized for all deductible temporary differences, the carryforward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, the carryforward of unused tax credits and unused tax losses can be utilized, except:

- where the deferred tax asset relating to the deductible temporary differences arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and

- in respect of deductible temporary differences associated with investments in subsidiaries, associates and joint ventures, deferred tax assets are only recognized to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

The carrying amount of deferred tax assets is reviewed at the end of each of the Relevant Periods and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are reassessed at the end of each of the Relevant Periods and are recognized to the extent that it has become probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of each of the Relevant Periods.

Deferred tax assets and deferred tax liabilities are offset if and only if the Group has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realize the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

Government Grants

Government grants are recognized at their fair value where there is reasonable assurance that the grant will be received, and all attaching conditions will be complied with. When the grant relates to an expense item, it is recognized as income on a systematic basis over the periods in which the costs, for which it is intended to compensate, are expensed.

Where the grant relates to an asset, the fair value is credited to a deferred income account and is released to profit or loss over the expected useful life of the relevant asset by equal annual installments or deducted from the carrying amount of the asset and released to profit or loss by way of a reduced depreciation charge.

Revenue Recognition

Revenue from Contracts with Customers

Revenue from contracts with customers is recognized when control of goods or services is transferred to the customers at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services.

When the consideration in a contract includes a variable amount, the amount of consideration is estimated to which the Group will be entitled in exchange for transferring the goods or services to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognized will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

When the contract contains a financing component which provides the customer with a significant benefit of financing the transfer of goods or services to the customer for more than one year, revenue is measured at the present value of the amount receivable, discounted using the discount rate that would be reflected in a separate financing transaction between the Group and the customer at contract inception. When the contract contains a financing component which provides the Group with a significant financial benefit for more than one year, revenue recognized under the contract includes the interest expense accreted on the contract liability under the effective interest method. For a contract where the period between the payment by the customer and the transfer of the promised goods or services is one year or less, the transaction price is not adjusted for the effects of a significant financing component, using the practical expedient in IFRS 15.

a. *Sale of Properties*

Revenues are recognized when or as the control of the asset is transferred to the customer.

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

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

b. *Property Management Services*

Property management service income derived from the provision of property maintenance and management services is recognized when the relevant services are rendered, and the customer simultaneously receives and consumes the benefits provided by the entity's performance as the entity performs.

c. *Management Consulting Services*

Consulting services income derived from the provision of support services in connection with development of property projects is recognized when the relevant services are rendered, and the customer simultaneously receives and consumes the benefits provided by the entity's performance as the entity performs.

Revenue from Other Sources

Rental Income

Rental income is recognized on a time proportion basis over the lease terms. Variable lease payments that do not depend on an index or a rate are recognized as income in the accounting period in which they are incurred.

Interest Income

Interest income is recognized on an accrual basis using the effective interest method by applying the rate that discounts the estimated future cash receipts over the expected life of the financial instrument of the net carrying amount of the financial asset.

Contract Liabilities

A contract liability is recognized when a payment is received, or a payment is due (whichever is earlier) from a customer before the Group transfers the related goods or services. Contract liabilities are recognized as revenue when the Group performs under the contract (i.e., transfers control of the related goods or services to the customer).

Contract Cost Assets

Other than the costs which are capitalized as inventories, property, plant and equipment and intangible assets, costs incurred to fulfill a contract with a customer are capitalized as an asset if all of the following criteria are met:

(a) The costs relate directly to a contract or to an anticipated contract that the entity can specifically identify.

(b) The costs generate or enhance resources of the entity that will be used in satisfying (or in continuing to satisfy) performance obligations in the future.

(c) The costs are expected to be recovered.

The capitalized contract cost assets are amortized and charged to profit or loss on a systematic basis that is consistent with the pattern of the recognition of revenue to which the asset relates. Other contract costs are expensed as incurred.

Employee Retirement Benefits

Pension Scheme

The employees of the Company and its subsidiaries which operate in Mainland China are required to participate in a central pension scheme operated by the local municipal government. These subsidiaries are required to contribute a certain proportion of these payroll costs to the central pension scheme. The contributions are charged to profit or loss as they become payable in accordance with the rules of the central pension scheme.

Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, i.e. assets that necessarily take a substantial period of time to get ready for their intended use or sale, are capitalized as part of the cost of those assets. The capitalization of such borrowing costs ceases when 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 capitalized.

All other borrowing costs are expensed in the period in which they are incurred.

Borrowing costs include interest expense, finance charges and exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs. The exchange gains and losses that are adjustments to interest costs include the interest rate differences between borrowing costs that would be incurred if the entity had borrowed funds in its functional currency, and the borrowing costs actually incurred on foreign currency borrowings. Such amounts are estimated based on forward currency rates at the inception of the borrowings.

When the construction of the qualifying assets takes more than one accounting period, the amount of foreign exchange differences eligible for capitalisation is determined for each annual period and is limited to the difference between the hypothetical interest amount for the functional currency borrowings and the actual interest incurred for foreign currency borrowings. Foreign exchange differences that did not meet the criteria for capitalisation in previous years should not be capitalised in subsequent years.

Dividends

Final dividends are recognized as a liability when they are approved by the shareholders in a general meeting.

Interim dividends are simultaneously proposed and declared, because the Company's memorandum and articles of association grant the directors the authority to declare interim dividends. Consequently, interim dividends are recognized immediately as a liability when they are proposed and declared.

Foreign Currencies

Items included in the financial information of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The Historical Financial Information is presented in RMB, which is the Company's functional currency, because the Group's principal operations are carried out in the PRC. Foreign currency transactions recorded by the entities in the Group are initially recorded using their respective functional currency rates prevailing at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency rates of exchange ruling at the end of each of the Relevant Periods. Differences arising on settlement or translation of monetary items are recognized in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured. The gain or loss arising on translation of a non-monetary item measured at fair value is treated in line with the recognition of the gain or loss on change in fair value of the item (i.e., translation difference on the item whose fair value gain or loss is recognized in other comprehensive income or profit or loss is also recognized in other comprehensive income or profit or loss, respectively).

In determining the exchange rate on initial recognition of the related asset, expense or income on the derecognition of a non-monetary asset or non-monetary liability relating to an advance consideration, the date of initial transaction is the date on which the Group initially recognizes the non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, the Group determines the transaction date for each payment or receipt of the advance consideration.

3. SIGNIFICANT ACCOUNTING JUDGMENTS AND ESTIMATES

The preparation of the Group's Historical Financial Information requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and their accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amounts of the assets or liabilities affected in the future.

Judgments

In the process of applying the Group's accounting policies, management has made the following judgments, apart from those involving estimations, which have the most significant effect on the amounts recognized in the Historical Financial Information:

Classification between Investment Properties and Owner-Occupied Properties

The Group determines whether a property qualifies as an investment property and has developed criteria in making that judgement. Investment property is a property held to earn rentals or for capital appreciation or both. Therefore, the Group considers whether a property generates cash flows largely independently of the other assets held by the Group. Some properties comprise a portion that is held to earn rentals or for capital appreciation and another portion that is held for use in the production or supply of goods or services or for administrative purposes. If these portions could be sold separately or leased out separately under a finance lease, the Group accounts for the portions separately. If the portions could not be sold separately, the property is an investment property only if an insignificant portion is held for use in the production or supply of goods or services or for administrative purposes. Judgement is made on an individual property basis to determine whether ancillary services are so significant that a property does not qualify as an investment property.

Classification of Subsidiaries, Joint Ventures and Associates

The classification of an investment as a subsidiary, a joint venture or an associate is based on whether the Group is determined to have control, joint control or significant influence over the investee, which involves judgments through the analysis of various factors, including the Group's representation on the chief decision-making authorities of an investee, such as board of directors' meetings and shareholders' meetings, as well as other facts and circumstances.

Subsidiaries are consolidated, which means that each of their assets, liabilities and transactions are included line-by-line in the Group's consolidated financial statements. The interests in joint ventures and associates are equity accounted for as investments on the consolidated statements of financial position.

Deferred Tax Assets

Deferred tax assets are recognized for all deductible temporary differences, and carryforward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carryforward of unused tax credits and unused tax losses can be utilized. Significant management judgement is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and level of future taxable profits together with future tax planning strategies. Further details are included in note 19 to the Historical Financial Information.

Significant Financing Component

In determining the transaction price, the Group adjusts the promised amount of consideration for the effects of the timing value of money if the timing of payments agreed by the parties to the contract provides the Group with a significant benefit of financing.

Certain advance payments received from customers provide a significant financing benefit to the Group. Although the Group is required by the government to place all deposits and periodic payments received from the pre-completion sales in a stakeholder account, the Group is able to benefit from those advance payments as it can withdraw money from that account to pay for expended construction costs on the project. The advance payments received in effect reduce the Group's need to rely on other sources of financing.

The amount of the financing component is estimated at the inception of the contract. After contract inception, the discount rate is not updated for changes in interest rates or other circumstances, such as a change in credit risk. The period of financing is from the time that the payment is received until the transfer of goods to the customers is completed.

Estimation Uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of each of the Relevant Periods, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are disclosed below:

Provision for Properties Under Development and Completed Properties Held for Sale

The Group's properties under development and completed properties held for sale are stated at the lower of cost and net realizable value. Based on the Group's historical experience and the nature of the subject properties, the Group makes estimates of the selling prices, the costs of completion of properties under development, and the costs to be incurred in selling the properties based on prevailing market conditions.

If there is an increase in costs to completion or a decrease in net sales value, the net realizable value will decrease, and this may result in a provision for properties under development and completed properties held for sale. Such provision requires the use of judgement and estimates. Where the expectation is different from the original estimate, the carrying value and provision for properties in the periods in which such estimate is changed will be adjusted accordingly.

PRC Corporate Income Tax ("CIT")

The Group is subject to corporate income taxes in the PRC. As a result of the fact that certain matters relating to the income taxes have not been confirmed by the local tax bureau, objective estimate and judgement based on currently enacted tax laws, regulations and other related policies are required in determining the provision for income taxes to be made. Where the final tax outcome of these matters is different from the amounts originally recorded, the differences will impact on the income tax and tax provisions in the period in which the differences realize.

PRC Land Appreciation Tax ("LAT")

The Group is subject to LAT in the PRC. The provision for LAT is based on management's best estimates according to the understanding of the requirements set forth in the relevant PRC tax laws and regulations. The actual LAT liabilities are subject to the determination by the tax authorities upon the completion of the property development projects. The Group has not finalized its LAT calculation and payments with the tax authorities for certain of its property development projects. The final outcome could be different from the amounts that were initially recorded, and any differences will impact on the LAT expenses and the related provision in the period in which the differences realize.

Impairment of Non-Financial Assets

The Group assesses whether there are any indicators of impairment for all non-financial assets (including the right-of-use assets) at the end of each of the Relevant Periods. Other non-financial assets are tested for impairment when there are indicators that the carrying amounts may not be recoverable. An impairment exists when the carrying value of an asset or a cash-generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The calculation of the fair value less costs of disposal is based on available data from binding sales transactions in an arm's length transaction of similar assets or observable market prices less incremental costs for disposing of the asset. When value-in-use calculations are undertaken, management must estimate the expected future cash flows from the asset or cash-generating unit and choose a suitable discount rate in order to calculate the present value of those cash flows.

Estimate of Fair Value of Investment Properties

Investment properties carried at fair value are revalued at each reporting date based on the appraised market value provided by independent professional valuers. Such valuations are based on certain assumptions, which are subject to uncertainty and might materially differ from the actual results. In making the estimation, the Group considers information from current prices in an active market for similar properties and uses assumptions that are mainly based on market conditions existing at the end of each of the Relevant Periods.

Deferred Tax Assets

Deferred tax assets are recognized for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilized. Significant management judgement is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and level of future taxable profits together with future tax planning strategies.

4. OPERATING SEGMENT INFORMATION

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

Geographical Information

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

Information about Major Customers

No revenue from sales to a single customer or a group of customers under common control accounted for 10% or more of the Group's revenue for each of the Relevant Periods.

5. REVENUE, OTHER INCOME AND GAINS

An analysis of revenue is as follows:

	Year ended December 31,			Four months ended April 30,	
	2017	2018	2019	2019	2020
	RMB'000	RMB'000	RMB'000	RMB'000 (unaudited)	RMB'000
Revenue from contracts with customers	11,650,931	15,692,154	25,610,326	4,347,782	2,809,168
Revenue from other sources					
Property lease income	125,668	279,029	352,782	106,331	120,032
	11,776,599	15,971,183	25,963,108	4,454,113	2,929,200

Revenue from Contracts with Customers

(a) Disaggregated Revenue Information

	Year ended December 31,			Four months ended April 30,	
	2017	2018	2019	2019	2020
	RMB'000	RMB'000	RMB'000	RMB'000 (unaudited)	RMB'000
Type of goods or services:					
Sale of properties	11,285,961	15,149,795	25,037,479	4,152,298	2,773,249
Property management services	357,095	480,542	517,219	172,114	—
Management consulting services	7,875	61,817	55,628	23,370	35,919
Total revenue from contracts with customers	11,650,931	15,692,154	25,610,326	4,347,782	2,809,168

	Year ended December 31,			Four months ended April 30,	
	2017	2018	2019	2019	2020
	RMB'000	RMB'000	RMB'000	RMB'000 (unaudited)	RMB'000
Timing of revenue recognition					
Properties transferred at a point in time	11,285,961	15,149,795	25,037,479	4,152,298	2,773,249
Services transferred over time	364,970	542,359	572,847	195,484	35,919
Total revenue from contracts with customers	11,650,931	15,692,154	25,610,326	4,347,782	2,809,168

Refer to note 30 for information relating to the amounts of revenue recognized in each of the Relevant Periods that were included in the contract liabilities at the beginning of each of the Relevant Periods.

(b) Performance Obligations

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

Sale of Properties

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

Property Management Services

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

Management Consulting Services

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

An analysis of other income and gains is as follows:

	Year ended December 31,			Four months ended April 30,	
	2017	**2018**	**2019**	**2019**	**2020**
	RMB'000	**RMB'000**	**RMB'000**	**RMB'000 (unaudited)**	**RMB'000**
Gain on bargain purchase (note 38)	—	40,352	—	—	—
Gain on disposal of subsidiaries (note 39)	—	4,245	97,589	—	—
Subsidy income	393	2,392	8,419	909	222
Deposit forfeiture	9,867	6,353	14,247	3,260	1,898
Investment income from financial assets at fair value through profit or loss	5,731	13,156	63,330	28,566	6,395
Gain on disposal of items of property, plant and equipment	1,823	499	16	4	—
Others	1,907	1,580	4,040	819	1,590
	19,721	68,577	187,641	33,558	10,105

6. PROFIT BEFORE TAX

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

	Year ended December 31,			Four months ended April 30,	
	2017	2018	2019	2019	2020
	RMB'000	RMB'000	RMB'000	RMB'000 (unaudited)	RMB'000
Cost of inventories sold (excluding impairment losses recognized for properties under development and properties held for sale) (notes 20, note 21)	7,520,133	10,419,947	19,407,407	2,915,148	2,139,695
Cost of services provided and others	320,144	417,087	444,273	161,490	9,800
Impairment losses recognized for properties under development (note 20)	138,090	289,717	183,913	129,507	—
Impairment losses recognized for properties held for sale (note 21)	6,572	18,915	265,295	—	—
Impairment of financial assets (notes 22, 24)	1,371	437	83	(302)	(220)
Depreciation of property, plant and equipment (note 13)	34,656	43,558	54,878	13,259	13,463
Amortization of intangible assets (note 16)	3,451	3,987	3,767	1,954	1,855
Amortization of land use rights (note 14(a))	1,940	3,064	3,680	1,081	1,215
Depreciation of other right-of-use assets (note 14(b))	8,634	15,100	22,715	6,871	8,108
Rental expenses (note 14(d))	2,865	4,424	4,653	1,121	1,429
Auditor's remuneration	2,017	2,548	5,413	—	1,700
Employee benefit expense (including directors' and chief executive's remuneration in note 8):					
Wages and salaries	359,037	473,761	583,756	162,090	132,942
Pension scheme contributions and social welfare	62,045	84,511	97,893	29,104	15,938

7. FINANCE COSTS

An analysis of finance costs is as follows:

	Year ended December 31,			Four months ended April 30,	
	2017	2018	2019	2019	2020
	RMB'000	RMB'000	RMB'000	RMB'000 (unaudited)	RMB'000
Interest on loans and borrowings	2,192,856	3,070,800	3,647,405	1,103,505	1,427,561
Interest expense arising from revenue contracts	401,548	538,953	553,127	54,198	104,683
Total interest expense on financial liabilities not at FVTPL	2,594,404	3,609,753	4,200,532	1,157,703	1,532,244
Less: Interest capitalized	(2,249,840)	(3,038,244)	(3,705,669)	(1,118,775)	(1,433,750)
	344,564	571,509	494,863	38,928	98,494

8. DIRECTORS' AND CHIEF EXECUTIVE'S REMUNERATION

The Company did not have any chief executive, executive directors, non-executive directors and independent non-executive directors before October 17, 2019, the date of incorporation of the Company.

Mr. Lam Ting Keung, Mr. Lam Yu, Mr. Chen Chaorong and Mr. Huang Junquan were appointed as directors of the Company on October 17, 2019 and were redesignated as executive directors on March 16, 2020. Mr. Tse Yat Hong, Mr. Chung Chong Sun and Mr. Zhang Huaqiao were appointed as independent non-executive directors of the Company on October 5, 2020. Mr. Lam Ting Keung is currently the chairman of the Board and the chief executive officer of the Group.

Certain of the directors received remuneration from the subsidiaries now comprising the Group for their appointment as directors of these subsidiaries. The remuneration of each of these directors as recorded in the financial statements of the subsidiaries is set out below:

	Year ended December 31,			Four months ended April 30,	
	2017	2018	2019	2019	2020
	RMB'000	RMB'000	RMB'000	RMB'000 (unaudited)	RMB'000
Salaries, allowances and benefits in kind	3,900	3,770	3,766	1,255	1,278
Pension scheme contributions and social welfare	228	250	246	88	50
Total	4,128	4,020	4,012	1,343	1,328

(a) **Independent Non-Executive Directors**

	Salaries, Allowances and benefits in kind	Pension scheme contributions and social welfare	Total remuneration
	RMB'000	RMB'000	RMB'000
Year ended December 31, 2017			
Independent non-executive directors:			
— Mr. Tse Yat Hong	—	—	—
— Mr. Chung Chong Sun	—	—	—
— Mr. Zhang Huaqiao	250	—	250
	250	—	250
Year ended December 31, 2018			
Independent non-executive directors:			
— Mr. Tse Yat Hong	—	—	—
— Mr. Chung Chong Sun	—	—	—
— Mr. Zhang Huaqiao	250	—	250
	250	—	250
Year ended December 31, 2019			
Independent non-executive directors:			
— Mr. Tse Yat Hong	—	—	—
— Mr. Chung Chong Sun	—	—	—
— Mr. Zhang Huaqiao	250	—	250
	250	—	250
Four months ended April 30, 2019 (unaudited)			
Independent non-executive directors:			
— Mr. Tse Yat Hong	—	—	—
— Mr. Chung Chong Sun	—	—	—
— Mr. Zhang Huaqiao	83	—	83
	83	—	83
Four months ended April 30, 2020			
Independent non-executive directors:			
— Mr. Tse Yat Hong	—	—	—
— Mr. Chung Chong Sun	—	—	—
— Mr. Zhang Huaqiao	83	—	83
	83	—	83

There was no emolument payable to Mr. Tse Yat Hong and Mr. Chung Chong Sun during the Relevant Periods and the four months ended April 30, 2019.

(b) Executive directors and non-executive directors

	Salaries, Allowances and benefits in kind	Pension scheme contributions and social welfare	Total remuneration
	RMB'000	RMB'000	RMB'000
Year ended December 31, 2017			
Executive directors:			
— Mr. Lam Ting Keung	361	—	361
— Mr. Lam Yu	361	—	361
— Mr. Chen Chaorong	1,573	114	1,687
— Mr. Huang Junquan	1,355	114	1,469
	3,650	228	3,878
Year ended December 31, 2018			
Executive directors:			
— Mr. Lam Ting Keung	361	—	361
— Mr. Lam Yu	361	—	361
— Mr. Chen Chaorong	1,624	125	1,749
— Mr. Huang Junquan	1,174	125	1,299
	3,520	250	3,770
Year ended December 31, 2019			
Executive directors:			
— Mr. Lam Ting Keung	361	—	361
— Mr. Lam Yu	361	—	361
— Mr. Chen Chaorong	1,622	123	1,745
— Mr. Huang Junquan	1,172	123	1,295
	3,516	246	3,762
Four months ended April 30, 2019 (unaudited)			
Executive directors:			
— Mr. Lam Ting Keung	120	—	120
— Mr. Lam Yu	120	—	120
— Mr. Chen Chaorong	541	44	585
— Mr. Huang Junquan	391	44	435
	1,172	88	1,260
Four months ended April 30, 2020			
Executive directors:			
— Mr. Lam Ting Keung	120	—	120
— Mr. Lam Yu	120	—	120
— Mr. Chen Chaorong	551	25	576
— Mr. Huang Junquan	404	25	429
	1,195	50	1,245

There was no arrangement under which a director or the chief executive waived or agreed to waive any remuneration during the Relevant Periods and the four months ended April 30, 2019.

9. FIVE HIGHEST PAID EMPLOYEES

The five highest paid employees for the years ended December 31, 2017, 2018 and 2019, and the four months ended April 30, 2019 and 2020 included one director, one director, one director, one director and nil director, respectively, details of whose remuneration are set out in note 8 above. Details of the remuneration for the years ended December 31, 2017, 2018 and 2019, and the four months ended April 30, 2019 and 2020 of the remaining four, four, four, four and five highest paid employees who are neither a director nor chief executive of the Company, respectively, are as follows:

	Year ended December 31,			Four months ended April 30,	
	2017	2018	2019	2019	2020
	RMB'000	RMB'000	RMB'000	RMB'000 (unaudited)	RMB'000
Salaries, allowances and benefits in kind	9,239	9,302	9,437	3,029	3,216
Pension scheme contributions and social welfare	374	557	555	194	117
Total	9,613	9,859	9,992	3,223	3,333

The number of non-director and non-chief executive highest paid employees whose remuneration fell within the following bands is as follows:

	Year ended December 31,			Four months ended April 30,	
	2017	2018	2019	2019 (unaudited)	2020
Nil to HK$1,000,000	—	—	—	4	5
HK$1,000,001 to HK$2,000,000	—	1	—	—	—
HK$2,000,001 to HK$3,000,000	4	3	4	—	—
Total	4	4	4	4	5

10. INCOME TAX

The Group is subject to income tax on an entity basis on profits arising in or derived from the tax jurisdictions in which members of the Group are domiciled and operate. Pursuant to the rules and regulations of the Cayman Islands, the Company and the Group's subsidiaries incorporated in the Cayman Islands are not subject to any income tax. The Group's subsidiary incorporated in Hong Kong is not liable for income tax as it did not have any assessable profits arising in Hong Kong during the Relevant Periods.

Subsidiaries of the Group operating in Mainland China are subject to the PRC corporate income tax with a tax rate of 25% for the Relevant Periods except for the following subsidiaries:

Company name	Corporate income tax rate
Chongqing Jinhui Changjiang*	15%
Chongqing Jinhui Changjiang Management*	15%

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

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

	Year ended December 31,			Four months ended April 30,	
	2017	2018	2019	2019	2020
	RMB'000	RMB'000	RMB'000	RMB'000 (unaudited)	RMB'000
Current tax:					
Corporate income tax	920,395	1,314,035	1,375,919	445,342	279,153
LAT	690,879	726,731	1,107,069	162,812	78,093
Deferred tax (note 19)	(363,836)	(690,306)	(604,160)	(217,315)	(189,112)
Total tax charge for the year/period	1,247,438	1,350,460	1,878,828	390,839	168,134

A reconciliation of income tax expense applicable to profit before tax at the statutory rate for the jurisdictions in which the Company and the majority of its subsidiaries are domiciled to the income tax expense at the effective income tax rate for each of the Relevant Periods and the four months ended April 30, 2019 is as follows:

	Year ended December 31,			Four months ended April 30,	
	2017	2018	2019	2019	2020
	RMB'000	RMB'000	RMB'000	RMB'000 (unaudited)	RMB'000
Profit before tax	3,468,781	3,650,337	4,568,816	922,617	350,149
At the statutory income tax rate	867,195	912,584	1,142,204	230,654	87,537
Lower tax rates for specific provinces or enacted by local authority	(38,091)	(71,501)	(40,271)	6,874	1,368
Expenses not deductible for tax	10,017	10,193	12,863	2,279	2,506
Profits and losses attributable to joint ventures and associates	(120,263)	22,449	(110,349)	16,883	(13,025)
Deductible temporary differences and Tax losses utilized from previous years	(29,561)	(123,758)	(88,539)	(46,650)	(31,467)
Unrecognised deductible temporary differences and tax losses	39,737	57,423	130,863	56,935	64,461
Adjustment of current tax for previous years	245	(1,979)	1,755	1,755	(1,816)
Provision for LAT	690,879	726,731	1,107,069	162,812	78,093
Tax effect on LAT	(172,720)	(181,682)	(276,767)	(40,703)	(19,523)
Tax charge at the Group's effective rate	1,247,438	1,350,460	1,878,828	390,839	168,134

The share of tax charges attributable to joint ventures and associates amounted to RMB193,987,000, RMB22,254,000, RMB212,078,000, RMB1,891,000 and RMB34,020,000 for the years ended December 31, 2017, 2018 and 2019, and the four months ended April 30, 2019 and 2020, respectively. The share of tax credit attributable to joint ventures and associates amounted to RMB33,637,000, RMB52,186,000, RMB64,946,000, RMB24,401,000 and RMB16,654,000 for the years ended December 31, 2017, 2018 and 2019 and the four months ended April 30, 2019 and 2020, respectively. Both are included in "Share of profits and losses of joint ventures and associates" in the consolidated statements of profit or loss and other comprehensive income.

Tax payables in the consolidated statements of financial position represent the following:

	December 31,			April 30,
	2017	2018	2019	2020
	RMB'000	RMB'000	RMB'000	RMB'000
Tax payables:				
Corporate income tax	418,294	750,756	660,586	629,004
LAT	1,127,156	1,715,860	2,102,781	2,060,246
	1,545,450	2,466,616	2,763,367	2,689,250

11. DIVIDENDS

The Company did not declare or pay dividends during the Relevant Periods. On July 2, 2020, the Company declared dividends in the amount of USD100 million, of which US$50.0 million and US$50.0 million had been paid in July and September 2020, respectively.

Going forward, the Company will re-evaluate the dividend policy in light of financial position and the prevailing economic climate. However, the determination to pay dividends will be made at the discretion of the Directors, depending on results of operation, working capital, financial position, future prospects, and capital requirements, as well as any other factors which the Directors may consider relevant.

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

Earnings per share information is not presented as its inclusion, for the purpose of this report, is not considered meaningful due to the Reorganization and the basis of presentation of the results of the Group for the Relevant Periods as disclosed in note 2.1 to the Historical Financial Information.

13. PROPERTY, PLANT AND EQUIPMENT

	Buildings	Motor vehicles	Office equipment and electronic devices	Construction in progress	Leasehold improvements	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
December 31, 2017						
At December 31, 2016 and January 1, 2017:						
Cost	370,166	162,340	62,368	11,442	6,941	613,257
Accumulated depreciation	(63,515)	(136,100)	(42,236)	—	(1,750)	(243,601)
Net carrying amount	306,651	26,240	20,132	11,442	5,191	369,656
At January 1, 2017, net of accumulated depreciation	306,651	26,240	20,132	11,442	5,191	369,656
Additions	37,708	5,059	12,201	3,823	22,713	81,504
Transferred from construction in progress	14,668	—	—	(14,668)	—	—
Disposals	—	(1,341)	(391)	—	—	(1,732)
Transferred to investment properties (note 15)	(7,419)	—	—	—	—	(7,419)
Depreciation provided during the year (note 6)	(10,912)	(6,823)	(7,805)	—	(9,116)	(34,656)
At December 31, 2017, net of accumulated depreciation	340,696	23,135	24,137	597	18,788	407,353
At December 31, 2017:						
Cost	414,308	150,404	72,476	597	29,654	667,439
Accumulated depreciation	(73,612)	(127,269)	(48,339)	—	(10,866)	(260,086)
Net carrying amount	340,696	23,135	24,137	597	18,788	407,353
December 31, 2018						
At December 31, 2017 and January 1, 2018:						
Cost	414,308	150,404	72,476	597	29,654	667,439
Accumulated depreciation	(73,612)	(127,269)	(48,339)	—	(10,866)	(260,086)
Net carrying amount	340,696	23,135	24,137	597	18,788	407,353
At January 1, 2018, net of accumulated depreciation	340,696	23,135	24,137	597	18,788	407,353
Additions	194	3,705	8,171	32	18,644	30,746
Acquisition of subsidiaries (note 38)	—	—	725	—	—	725
Transferred from construction in progress	—	—	629	(629)	—	—
Disposals	—	(780)	(842)	—	(932)	(2,554)
Depreciation provided during the year (note 6)	(14,344)	(5,711)	(8,858)	—	(14,645)	(43,558)
At December 31, 2018, net of accumulated depreciation	326,546	20,349	23,962	—	21,855	392,712
At December 31, 2018:						
Cost	414,502	147,438	78,239	—	47,108	687,287
Accumulated depreciation	(87,956)	(127,089)	(54,277)	—	(25,253)	(294,575)
Net carrying amount	326,546	20,349	23,962	—	21,855	392,712

	Buildings	Motor vehicles	Office equipment and electronic devices	Construction in progress	Leasehold improvements	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
December 31, 2019						
At December 31, 2018 and January 1, 2019:						
Cost	414,502	147,438	78,239	—	47,108	687,287
Accumulated depreciation	(87,956)	(127,089)	(54,277)	—	(25,253)	(294,575)
Net carrying amount	326,546	20,349	23,962	—	21,855	392,712
At January 1, 2019, net of accumulated depreciation	326,546	20,349	23,962	—	21,855	392,712
Additions	15,407	6,050	7,507	—	16,551	45,515
Disposals	—	(732)	(196)	—	—	(928)
Disposal of subsidiaries (note 39)	—	(813)	(4,877)	—	(1,434)	(7,124)
Depreciation provided during the year (note 6)	(20,267)	(5,612)	(10,048)	—	(18,951)	(54,878)
At December 31, 2019, net of accumulated depreciation	321,686	19,242	16,348	—	18,021	375,297
At December 31, 2019:						
Cost	429,909	147,161	69,802	—	61,861	708,733
Accumulated depreciation	(108,223)	(127,919)	(53,454)	—	(43,840)	(333,436)
Net carrying amount	321,686	19,242	16,348	—	18,021	375,297
April 30, 2020						
At December 31, 2019 and January 1, 2020:						
Cost	429,909	147,161	69,802	—	61,861	708,733
Accumulated depreciation	(108,223)	(127,919)	(53,454)	—	(43,840)	(333,436)
Net carrying amount	321,686	19,242	16,348	—	18,021	375,297
At January 1, 2020, net of accumulated depreciation	321,686	19,242	16,348	—	18,021	375,297
Additions	—	—	4,678	—	1,594	6,272
Disposals	—	(138)	(50)	—	—	(188)
Depreciation provided during the period (note 6)	(6,575)	(1,559)	(1,535)	—	(3,794)	(13,463)
At April 30, 2020, net of accumulated depreciation	315,111	17,545	19,441	—	15,821	367,918
At April 30, 2020:						
Cost	429,909	145,710	74,115	—	63,455	713,189
Accumulated depreciation	(114,798)	(128,165)	(54,674)	—	(47,634)	(345,271)
Net carrying amount	315,111	17,545	19,441	—	15,821	367,918

Certain of the Group's property, plant and equipment with amounts of approximately RMB34,196,000, RMB30,338,000, RMB28,088,000 and RMB26,742,000 as at December 31, 2017, 2018 and 2019 and April 30, 2020, respectively, have been pledged to secure bank and other borrowings granted to the Group (note 31).

Certain of the Group's property, plant and equipment with amounts of nil, RMB24,047,000, RMB24,071,000 and RMB23,870,000 as at December 31, 2017, 2018 and 2019 and April 30, 2020, respectively, have been pledged to secure the Group's asset-backed securities (note 32).

Certain of the Group's property, plant and equipment with amounts of RMB24,631,000, nil, nil and nil as at December 31, 2017, 2018 and 2019 and April 30, 2020, respectively, have been pledged to secure the Group's corporate bonds (note 34).

14. LEASES

The Group as a Lessee

The Group has lease contracts for office buildings. Lump sum payments were made upfront to acquire the leased land from the owners with lease periods of 40 to 50 years, and no ongoing payments will be made under the terms of these land leases. Leases of office buildings generally have lease terms between 3 and 5 years. Office equipment generally has lease terms of 12 months or less and/or is individually of low value. Generally, the Group is restricted from assigning and subleasing the leased assets outside the Group.

(a) Right-of-Use Assets — Land Use Rights

	December 31,			April 30,
	2017	**2018**	**2019**	**2020**
	RMB'000	**RMB'000**	**RMB'000**	**RMB'000**
Carrying amount at beginning of the year/period	110,387	108,318	105,254	100,379
Additions	3,303	—	—	—
Disposal	—	—	(395)	—
Disposal of subsidiaries (note 39)	—	—	(800)	—
Transfer to investment properties (note 15)	(3,432)	—	—	—
Amortization provided during the year/period (note 6)	(1,940)	(3,064)	(3,680)	(1,215)
Carrying amount at end of the year/period	108,318	105,254	100,379	99,164

Certain of the Group's land use rights with amounts of RMB4,143,000, RMB4,003,000, RMB4,902,000 and RMB4,744,000 as at December 31, 2017, 2018 and 2019 and April 30, 2020, respectively, have been pledged to secure the Group's interest-bearing bank and other borrowings (note 31).

Certain of the Group's land use rights with amounts of nil, RMB21,361,000, RMB20,854,000 and RMB20,670,000 as at December 31, 2017, 2018 and 2019 and April 30, 2020, respectively, have been pledged to secure the Group's asset-backed securities (note 32).

Certain of the Group's land use rights with amounts of RMB21,913,000, nil, nil and nil as at December 31, 2017, 2018 and 2019 and April 30, 2020, respectively, have been pledged to secure the Group's corporate bonds (note 34).

(b) Other Right-of-Use Assets

The carrying amounts of the Group's other right-of-use assets and the movements during the Relevant Periods are as follows:

	Office buildings			
	December 31,			April 30,
	2017	**2018**	**2019**	**2020**
	RMB'000	**RMB'000**	**RMB'000**	**RMB'000**
Carrying amount at beginning of the year/period	8,649	33,930	36,637	33,349
Additions	33,915	17,807	19,427	1,378
Depreciation charge during the year/period (note 6)	(8,634)	(15,100)	(22,715)	(8,108)
Carrying amount at end of the year/period	33,930	36,637	33,349	26,619

(c) Lease Liabilities

The carrying amount of lease liabilities and the movements during the Relevant Periods are as follows:

	December 31,			April 30,
	2017	2018	2019	2020
	RMB'000	RMB'000	RMB'000	RMB'000
Carrying amount at beginning of the year/period	8,670	34,239	36,649	32,611
New leases	33,915	17,807	19,427	1,378
Accretion of interest recognized during the year/period	1,743	2,476	3,018	956
Payments	(10,089)	(17,873)	(26,483)	(9,478)
Carrying amount at end of the year/period	34,239	36,649	32,611	25,467
Analyzed into:				
Current portion	14,014	17,953	20,380	18,322
Non-current portion	20,225	18,696	12,231	7,145

(d) The amounts recognized in profit or loss in relation to leases are as follows:

	December 31,			April 30,
	2017	2018	2019	2020
	RMB'000	RMB'000	RMB'000	RMB'000
Interest on lease liabilities	1,743	2,476	3,018	956
Depreciation charge of other right-of-use assets	8,634	15,100	22,715	8,108
Expense relating to short-term leases (note 6)	2,796	4,220	4,257	1,254
Expense relating to leases of low-value assets (note 6)	69	204	396	175
Total amount recognized in profit or loss	13,242	22,000	30,386	10,493

(e) The total cash outflow for leases and future cash outflows relating to leases that have not yet commenced are disclosed in note 37 to the Historical Financial Information.

The Group as a Lessor

The Group leases its investment properties (note 15) under operating lease arrangements. The terms of the leases generally require the tenants to pay security deposits and provide for periodic rent adjustments according to the then prevailing market conditions. Rental income recognized by the Group during the Relevant Periods was RMB125,668,000, RMB279,029,000, RMB352,782,000 and RMB120,032,000 for the years ended December 31, 2017, 2018 and 2019, and the four months ended April 30, 2020, respectively, details of which are included in note 5 to the History Financial Information.

At the end of each of the Relevant Periods, the undiscounted lease payments receivable by the Group in future periods under non-cancellable operating leases with its tenants are as follows:

	December 31,			April 30,
	2017	2018	2019	2020
	RMB'000	RMB'000	RMB'000	RMB'000
Within one year	267,388	314,492	415,328	330,044
After one year but within two years	238,766	289,314	279,154	223,511
After two years but within three years	199,362	174,811	232,987	155,711
After three years but within four years	94,639	123,976	164,437	105,593
After four years but within five years	42,279	93,847	119,570	85,528
After five years	129,476	250,799	180,599	179,385
	971,910	1,247,239	1,392,075	1,079,772

15. INVESTMENT PROPERTIES

	Completed	Under construction	Total
	RMB'000	RMB'000	RMB'000
Carrying amount at January 1, 2017	6,729,224	1,055,206	7,784,430
Additions	—	604,742	604,742
Transferred	342,300	(342,300)	—
Fair value gains on investment properties	245,745	72,010	317,755
Transferred from owner-occupied property (notes 13,14)	10,851	—	10,851
Revaluation gains on transfer from property, plant and equipment to investment properties	7,342	—	7,342
Carrying amount at December 31, 2017 and January 1, 2018	7,335,462	1,389,658	8,725,120
Additions	—	199,783	199,783
Transfer from properties under development (note 20)	—	185,048	185,048
Transfer from completed properties held for sale (note 21)	8,777	—	8,777
Transferred	1,161,138	(1,161,138)	—
Fair value gains on investment properties	364,811	251,725	616,536
Carrying amount at December 31, 2018 and January 1, 2019	8,870,188	865,076	9,735,264
Additions	—	8,150	8,150
Transfer from properties under development (note 20)	—	93,652	93,652
Transfer from completed properties held for sale (note 21)	188,265	—	188,265
Transferred	254,118	(254,118)	—
Fair value gains on investment properties	420,629	60,240	480,869
Carrying amount at December 31, 2019 and January 1, 2020	9,733,200	773,000	10,506,200
Additions	—	9,394	9,394
Transferred	140,394	(140,394)	—
Fair value gains on investment properties	100,106	1,000	101,106
Carrying amount at April 30, 2020	9,973,700	643,000	10,616,700

The Group's investment properties are situated in Mainland China. The Group's investment properties were revalued on December 31, 2017, 2018 and 2019 and April 30, 2020 based on valuations performed by Jones Lang LaSalle Corporate Appraisal and Advisory Limited (JLL), an independent professionally qualified valuer, at RMB8,725,120,000, RMB9,735,264,000, RMB10,506,200,000 and RMB10,616,700,000, respectively. The Group's senior finance manager and the group financial controller decide, after approval from the board of directors of the Company, to appoint which external valuer to be responsible for the external valuations of the Group's properties. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. The Group's senior finance manager have discussions with the valuer on the valuation assumptions and valuation results when the valuations is performed for financial reporting.

Certain of the Group's investment properties with fair values of approximately RMB2,881,218,000, RMB1,903,320,000, RMB2,092,171,000 and RMB2,521,929,000 as at December 31, 2017, 2018 and 2019 and April 30, 2020, respectively, have been pledged to secure bank and other borrowings granted to the Group (note 31).

Certain of the Group's investment properties with fair values of approximately nil, RMB4,435,500,000, RMB4,811,200,000 and RMB4,877,500,000 as at December 31, 2017, 2018 and 2019 and April 30, 2020, respectively, have been pledged to secure the Group's asset-backed securities (note 32).

Certain of the Group's investment properties with fair values of approximately RMB4,347,700,000, nil, nil and nil as at December 31, 2017, 2018 and 2019 and April 30, 2020, respectively, have been pledged to secure corporate bonds granted to the Group (note 34).

Fair Value Hierarchy

The following table illustrates the fair value measurement hierarchy of the Group's investment properties:

	Fair value measurement as at December 31, 2017 using			
	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
	RMB'000	RMB'000	RMB'000	RMB'000
Recurring fair value measurement for:				
Commercial properties				
Under construction	—	—	1,389,658	1,389,658
Completed	—	—	7,335,462	7,335,462
	—	—	8,725,120	8,725,120

	Fair value measurement as at December 31, 2018 using			
	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
	RMB'000	RMB'000	RMB'000	RMB'000
Recurring fair value measurement for:				
Commercial properties				
Under construction	—	—	865,076	865,076
Completed	—	—	8,870,188	8,870,188
	—	—	9,735,264	9,735,264

	Fair value measurement as at December 31, 2019 using			
	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
	RMB'000	RMB'000	RMB'000	RMB'000
Recurring fair value measurement for:				
Commercial properties				
Under construction	—	—	773,000	773,000
Completed	—	—	9,733,200	9,733,200
	—	—	10,506,200	10,506,200

	Fair value measurement as at April 30, 2020 using			
	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
	RMB'000	RMB'000	RMB'000	RMB'000
Recurring fair value measurement for:				
Commercial properties				
Under construction	—	—	643,000	643,000
Completed	—	—	9,973,700	9,973,700
	—	—	10,616,700	10,616,700

During the Relevant Periods, there were no transfers of fair value measurements between Level 1 and Level 2 and no transfers into or out of Level 3.

Below is a summary of the valuation techniques used and the key inputs to the valuation of investment properties:

	Valuation technique	Significant unobservable inputs	Range or weighted average December 31, 2017	2018	2019	April 30, 2020
Commercial properties completed	Income approach	Expected rental value (per square meter and per day)	RMB0.5-13.0	RMB0.6-13.4	RMB0.6-13.5	RMB0.6-13.9
		Capitalization rate	3%-6%	3%-6%	3%-6%	3%-6%
Commercial properties under construction	Residual method	Expected rental value (per square meter and per day)	RMB1.7-7.4	RMB2.5-5.0	RMB1.7-5.6	NA
		Capitalization rate	3.5%-5.5%	3.5%-5.5%	3.5%-5.5%	NA
		Expected profit margin	10-20%	10-20%	10-20%	NA
	Asset based approach	Expected selling price (per square meter)	RMB7,020-8,151	RMB7,888-8,701	RMB8,306-9,102	RMB8,281-9,075

The fair value of completed commercial properties is determined using the income approach by taking into account the rental income of the properties derived from the existing leases and/or achievable in the existing market with due allowance for the reversionary income potential of the leases, which have been then capitalized to determine the fair value at an appropriate capitalization rate. Where appropriate, reference to the comparable sales transactions as available in the relevant market has also been considered.

A significant increase (decrease) in the estimated rental value would result in a significant increase (decrease) in the fair value of the investment properties. A significant increase (decrease) in the capitalization rate would result in a significant decrease (increase) in the fair value of the investment properties.

The fair value of most of commercial properties under construction is determined using the cost approach, with reference to comparable sales evidence as available in the relevant market to derive the fair value of the properties assuming they were completed and, where appropriate, after deducting the following items:

- Estimated construction cost, marketing cost, management fees, finance costs and professional fees to be expensed to complete the properties that would be incurred by a market participant;

- Estimated profit margin that a market participant would require to hold and develop the properties to completion.

A higher expected profit margin would result in a lower fair value of the investment properties under construction.

The fair value of commercial properties under construction which are at the initial construction stage is determined using the asset-based method. The asset-based method is to use the market comparison method to evaluate the fair value of the land use right and consider the book value of the construction and installation costs incurred to obtain the fair value of the project under construction. A higher expected value would result in a higher fair value of these investment properties under construction at the initial construction stage.

16. INTANGIBLE ASSETS

	December 31,			April 30,
	2017	2018	2019	2020
	RMB'000	RMB'000	RMB'000	RMB'000
Software:				
At the beginning of the year/period:				
Cost	24,695	29,715	32,456	34,021
Accumulated amortization	(4,540)	(7,991)	(11,978)	(15,745)
Net carrying amount	20,155	21,724	20,478	18,276
Carrying amount at the beginning of the year/period:	20,155	21,724	20,478	18,276
Additions	5,020	2,741	1,565	822
Amortization provided during the year/period (note 6)	(3,451)	(3,987)	(3,767)	(1,855)
Carrying amount at the end of the year/period	21,724	20,478	18,276	17,243
At the end of the year/period:				
Cost	29,715	32,456	34,021	34,843
Accumulated amortization	(7,991)	(11,978)	(15,745)	(17,600)
Net carrying amount	21,724	20,478	18,276	17,243

17. INVESTMENTS IN JOINT VENTURES

	December 31,			April 30,
	2017	2018	2019	2020
	RMB'000	RMB'000	RMB'000	RMB'000
Share of net assets	2,337,637	1,205,068	1,736,684	1,504,331

The Group's receivable and payable balances with joint ventures are disclosed in note 42 to the Historical Financial Information.

Management considered that there were no impairment indicators for the investments in joint ventures, as these joint ventures are in the start-up stage and operated in line with the original plan, so the directors of the Company are of the opinion that no provision for impairment was necessary as at 31 December 2017, 2018 and 2019 and April 30, 2020.

(a) Particulars of the Group's principal joint ventures

Name of companies	Place and year of registration	Nominal value of registered share capital (RMB'000)	Statutory percentage of ownership interest attributable to the Group	Principal activity
蘇州金輝華園置業有限公司* Suzhou Jinhui Huayuan Real Estate Co., Ltd. ("Jinhui Huayuan")	Suzhou, PRC 2014	20,000	70.00%	Property development
蘇州金輝新園置業有限公司* Suzhou Jinhui Xinyuan Real Estate Co., Ltd. ("Jinhui Xinyuan")	Suzhou, PRC 2014	20,000	51.00%	Property development
揚州啟輝置業有限公司** Yangzhou Qihui Real Estate Co., Ltd. ("Yangzhou Qihui")	Yangzhou, PRC 2017	100,000	18.98%	Property development
南京乾景房地產開發有限公司 Nanjing Qianjing Properties Development Co., Ltd. ("Nanjing Qianjing Properties")	Nanjing, PRC 2015	170,000	60.00%	Property development
太倉輝盛房地產開發有限公司 Taicang Huisheng Properties Development Co., Ltd. ("Taicang Huisheng Properties")	Taicang, PRC 2017	300,000	16.00%	Property development
重慶金佳禾房地產開發有限公司 Chongqing Jinjiahe Properties Development Co., Ltd. ("Chongqing Jinjiahe Properties")	Chongqing, PRC 2017	1,300,000	49.00%	Property development
重慶金碧雅居房地產開發有限公司 Chongqing Jinbi Yaju Properties Development Co., Ltd. ("Chongqing Jinbi Yaju Properties")	Chongqing, PRC 2017	400,000	34.00%	Property development

Pursuant to the investment framework agreement and the articles of association of these companies, all shareholder resolutions of these companies shall be resolved by all shareholders on a unanimous basis. Therefore, these companies were accounted for as joint ventures of the Group during the Relevant Periods.

* Jinhui Huayuan and Jinhui Xinyuan were joint ventures of the Group in 2017 and became the subsidiaries of the Group since December 28, 2018. For more details, refer to note 38.

** Pursuant to the investment framework agreement and the articles of association of this company, all shareholder resolutions of Yangzhou Qihui shall be resolved by all shareholders on a unanimous basis. Therefore, this entity was accounted for as joint venture of the Group by holding a 18.98% equity interest in it during the Relevant Periods. Meanwhile, according to the contract between the Group and the other equity interest holders of Yangzhou Qihui ("Contract A") and the profit sharing arrangement stated in Contract A, the Group is entitled to 50% returns from some specified assets, and according to IAS 28, the Group recoginized its share of profit or loss of Yangzhou Qihui under the equity method.

(b) Jinhui Huayuan, Jinhui Xinyuan, Chongqing Jinjiahe Properties, and Yangzhou Qihui, which are considered as material joint ventures of the Group during the Relevant Periods, co-develop a property development project with the other joint venture partners in Mainland China and the joint ventures are accounted for using the equity method.

The following table illustrates the summarized financial information of Jinhui Huayuan:

	December 31, 2017
	RMB'000
Cash and cash equivalents	110,935
Other current assets	1,529,355
Current assets	1,640,290
Non-current assets	1,922
Current liabilities	(485,733)
Non-current financial liabilities, excluding trade and other payables and provisions	—
Net assets	1,156,479
Reconciliation to the Group's interest in the joint venture:	
Proportion of the Group's ownership	70%
Group's share of net assets of the joint venture	809,535
Carrying amount of the investment	809,535
Revenue	2,102,777
Expenses	(1,449,273)
Tax	(163,819)
Profit for the year	489,685
Total comprehensive income for the year	489,685

The following table illustrates the summarized financial information of Jinhui Xinyuan:

	December 31, 2017
	RMB'000
Cash and cash equivalents	101,378
Other current assets	848,888
Current assets	950,266
Non-current assets	3,385
Current liabilities	(484,260)
Non-current financial liabilities, excluding trade and other payables and provisions	(60,549)
Net assets	408,842
Reconciliation to the Group's interest in the joint venture:	
Proportion of the Group's ownership	51%
Group's share of net assets of the joint venture	208,509
Carrying amount of the investment	208,509
Revenue	1,071,047
Expenses	(562,080)
Tax	(214,714)
Profit for the year	294,253
Total comprehensive income for the year	294,253

The following table illustrates the summarized financial information of Chongqing Jinjiahe Properties:

	December 31,			April 30,
	2017	2018	2019	2020
	RMB'000	RMB'000	RMB'000	RMB'000
Cash and cash equivalents	143,950	43,172	343,100	326,267
Other current assets	3,008,219	5,129,532	6,987,951	6,416,553
Current assets	3,152,169	5,172,704	7,331,051	6,742,820
Non-current assets	13,736	77,588	107,902	103,166
Current liabilities	(1,474,463)	(3,548,982)	(4,595,488)	(4,567,466)
Non-current financial liabilities, excluding trade and other payables and provisions	(429,333)	(309,355)	(709,345)	(699,990)
Net assets	1,262,109	1,391,955	2,134,120	1,578,530
Reconciliation to the Group's interest in the joint venture:				
Proportion of the Group's ownership	49%	49%	49%	49%
Group's share of net assets of the joint venture	618,433	682,058	1,045,719	773,480
Carrying amount of the investment	618,433	682,058	1,045,719	773,480
Revenue	370	832,832	3,110,268	14,820
Expenses	(50,891)	(664,185)	(2,197,686)	(23,269)
Tax	12,630	(38,801)	(170,416)	1,267
(Loss)/profit for the year/period	(37,891)	129,846	742,166	(7,182)
Total comprehensive (loss)/income for the year/period	(37,891)	129,846	742,166	(7,182)

The following table illustrates the summarised financial information of Yangzhou Qihui:

	April 30, 2020
	RMB'000
Cash and cash equivalents	53,375
Other current assets	860,664
Current assets	914,039
Non-current assets	12,312
Current liabilities	(671,139)
Non-current financial liabilities, excluding trade and other payables and provisions	(100,000)
Net assets	155,212
Reconciliation to the Group's interest in the joint venture:	
Proportion of the Group's ownership **	50%
Group's share of net assets of the joint venture	77,606
Carrying amount of the investment	77,606
Revenue	455,710
Expenses	(334,881)
Tax	(34,315)
Profit for the period	86,514
Total comprehensive income for the period	86,514

(c) The following table illustrates the aggregate financial information of the Group's joint ventures that are not individually material:

	December 31,			April 30,
	2017	2018	2019	2020
	RMB'000	RMB'000	RMB'000	RMB'000
Share of the joint ventures' profits and losses for the year/period	(47,561)	(87,746)	146,504	31,630
Share of the joint ventures' total comprehensive (loss)/income	(47,561)	(87,746)	146,504	31,630
Aggregate carrying amount of the Group's investments in the joint ventures	701,160	523,010	690,965	653,245

The joint ventures have been accounted for using the equity method in this financial information.

18. INVESTMENTS IN ASSOCIATES

	December 31,			April 30,
	2017	2018	2019	2020
	RMB'000	RMB'000	RMB'000	RMB'000
Share of net assets	821,584	1,892,847	2,341,967	2,356,735

The Group's receivable and payable balances with associates are disclosed in note 42 to the Historical Financial Information.

The Group prepared profit forecast for each underlying project operated by these associates, and closely monitor the status of such projects. Based on the foregoing, the directors of the Company are of the view that these associates operated in line with the original plan, there was no indication of impairment for investments in associates and thus no impairment testing was needed at the end of each period during the Track Record Period. No provision for impairment was necessary as at December 31, 2017, 2018 and 2019 and April 30, 2020.

(a) Particulars of the Group's Principal Associates

Name of companies	Place and year of registration	Nominal value of registered share capital (RMB'000)	Statutory percentage of ownership interest attributable to the Group	Principal activities
杭州鑫建輝實業有限公司*1 Hangzhou Xinjianhui Industrial Co., Ltd. ("Hangzhou Xinjianhui")	Hangzhou, PRC 2017	1,500,000	51.00%	Investment management
成都融輝橋宇置業有限公司*2 Chengdu Ronghui Qiaoyu Real Estate Co., Ltd. ("Chengdu Ronghui Qiaoyu")	Chengdu, PRC 2017	900,000	50.00%	Property development
南京弘潤房地產開發有限公司 Nanjing Hongrun Properties Development Co., Ltd. ("Nanjing Hongrun Properties")	Nanjing, PRC 2019	280,000	49.00%	Property development
太倉輝耀房地產開發有限公司 Taicang Huiyao Properties Development Co., Ltd. ("Taicang Huiyao Properties")	Taicang, PRC 2017	700,000	49.00%	Property development
蘇州正潤房地產開發有限公司 Suzhou Zhengrun Properties Development Co., Ltd. ("Suzhou Zhengrun Properties")	Suzhou, PRC 2017	100,000	49.00%	Property development
西安耀葳置業有限公司*3 Xi'an Yaowei Real Estate Limited ("Xi'an Yaowei")	Xi'an, PRC 2016	550,000	51.00%	Property development

*1 Pursuant to the articles of association, the other shareholder of Hangzhou Xinjianhui has been entitled 51% of voting power with holding 49% of equity interests in it, which was negotiated and agreed by all shareholders, the Group only have significant influence on this entity as the other shareholder of Hangzhou Xinjianhui have the enough voting power to control and operate this entity. Thus, Hangzhou Xinjianhui is accounted for as an associate by the Group with holding 51% of equity interests in it.

*2 Pursuant to the articles of association, the other shareholder of Chengdu Ronghui Qiaoyu has been entitled 51% of voting power with holding 50% of equity interests in it, which was negotiated and agreed by all shareholders, the Group only have significant influence on this entity as the other shareholder of Chengdu Ronghui Qiaoyu have the enough voting power to control and operate this entity. Thus, Chengdu Ronghui Qiaoyu is accounted for as an associate by the Group with holding 50% of equity interests in it.

*3 Pursuant to the investment framework agreement between the Group and the other shareholder of Xi'an Yaowei, the Group and the other shareholder are entitled to operate certain specified assets and enjoy the returns from the respective assets, separately. Neither of the shareholders can control or jointly control this entity, Xi'an Yaowei is accounted for as an associate by the Group which is holding 51% of equity interests in it.

(b) The following table illustrates the aggregate financial information of the Group's associates that are not individually material:

	December 31,			April 30,
	2017	2018	2019	2020
	RMB'000	RMB'000	RMB'000	RMB'000
Share of the associates' profits and losses for the year/period	54,329	(65,674)	(68,769)	(19,269)
Share of the associates' total comprehensive income or losses	54,329	(65,674)	(68,769)	(19,269)
Aggregate carrying amount of the Group's investments in the associates	821,584	1,892,847	2,341,967	2,356,735

The associates have been accounted for using the equity method in this financial information.

19. DEFERRED TAX

The movements in deferred tax assets and liabilities during each of the Relevant Periods are as follows:

Deferred Tax Assets

	Losses available for offsetting against future taxable profits	Expenses for offsetting against future taxable profits	Impairment of assets	Unrealized revenue in contract liabilities	Accrued LAT	Lease liabilities	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At January 1, 2017	89,443	82,087	78,571	327,204	146,543	2,168	726,016
Deferred tax credited to profit or loss during the year (note 10)	18,926	40,249	11,280	324,165	92,009	6,392	493,021
At December 31, 2017 and January 1, 2018	108,369	122,336	89,851	651,369	238,552	8,560	1,219,037
Acquisition of subsidiaries (note 38)	15,157	14,059	966	4,799	80,717	—	115,698
Disposal of subsidiaries (note 39)	—	(10)	—	—	—	—	(10)
Deferred tax credited to profit or loss during the year (note 10)	87,401	176,985	30,705	599,747	47,235	602	942,675
At December 31, 2018 and January 1, 2019	210,927	313,370	121,522	1,255,915	366,504	9,162	2,277,400
Disposal of subsidiaries (note 39)	(1,106)	—	(1,281)	(28,373)	—	—	(30,760)
Deferred tax (charged)/credited to profit or loss during the year (note 10)	(22,090)	128,081	12,165	421,127	96,913	(1,010)	635,186
At December 31, 2019 and January 1, 2020	187,731	441,451	132,406	1,648,669	463,417	8,152	2,881,826
Deferred tax (charged)/credited to profit or loss during the period (note 10)	32,931	19,055	(11,769)	220,878	(9,511)	(1,582)	250,002
At April 30, 2020	220,662	460,506	120,637	1,869,547	453,906	6,570	3,131,828

Deferred Tax Liabilities

	Accrued financial income	Fair value adjustments arising from financial assets at FVTPL	Fair value adjustments arising from investment properties	Fair value adjustments arising from business combinations	Depreciation of investment properties	Right-of-use assets	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At January 1, 2017	—	—	1,101,949	811,499	21,258	2,162	1,936,868
Acquisition of subsidiaries (note 38)	—	—	—	11,175	—	—	11,175
Other comprehensive income	—	—	—	1,835	—	—	1,835
Deferred tax charged/(credited) to profit or loss during the year (note 10)	38,735	—	83,321	(8,080)	8,892	6,317	129,185
At December 31, 2017 and January 1, 2018	38,735	—	1,185,270	816,429	30,150	8,479	2,079,063
Acquisition of subsidiaries (note 38)	—	—	—	444,466	—	—	444,466
Deferred tax charged/(credited) to profit or loss during the year (note 10)	80,993	458	174,226	(38,844)	34,881	655	252,369
At December 31, 2018 and January 1, 2019	119,728	458	1,359,496	1,222,051	65,031	9,134	2,775,898
Deferred tax charged/(credited) to profit or loss during the year (note 10)	(70,427)	297	148,613	(66,717)	20,417	(1,157)	31,026
At December 31, 2019 and January 1, 2020	49,301	755	1,508,109	1,155,334	85,448	7,977	2,806,924
Deferred tax charged/(credited) to profit or loss during the period (note 10)	1,595	44	58,625	(9,074)	11,106	(1,406)	60,890
At April 30, 2020	50,896	799	1,566,734	1,146,260	96,554	6,571	2,867,814

For presentation purposes, certain deferred tax assets and liabilities amounting to RMB8,378,000, RMB9,133,000, RMB7,856,000 and RMB6,488,000 have been offset in the consolidated statements of financial position as at December 31, 2017, 2018 and 2019 and April 30, 2020, respectively. The following is an analysis of the deferred tax balances for financial reporting purposes:

	December 31,			April 30,
	2017	2018	2019	2020
	RMB'000	RMB'000	RMB'000	RMB'000
Net deferred tax assets recognized in the consolidated statements of financial position	1,210,659	2,268,267	2,873,970	3,125,340
Net deferred tax liabilities recognized in the consolidated statements of financial position	(2,070,685)	(2,766,765)	(2,799,068)	(2,861,326)

Pursuant to the PRC Corporate Income Tax Law, a 10% withholding tax is levied on dividends declared to foreign investors from the foreign investment enterprises established in Mainland China. The requirement is effective from January 1, 2008 and applies to earnings after December 31, 2007. A lower withholding tax rate may be applied if there is a tax treaty between Mainland China and the jurisdiction of the foreign investors. For the Group, the applicable rate is 10%. The Group is therefore liable for withholding taxes on dividends distributed by those subsidiaries established in Mainland China in respect of earnings generated from January 1, 2008.

At December 31, 2017, 2018 and 2019 and April 30, 2020, no deferred tax has been recognized for withholding taxes that would be payable on the unremitted earnings that are subject to withholding taxes of the Company and the Group's subsidiaries established in Mainland China. In the opinion of the directors of the Company, the Group's fund will be retained in Mainland China for the expansion of the Group's operation, so it is not probable that these subsidiaries will distribute such earnings in the foreseeable future. The aggregate amounts of temporary differences associated with investments in subsidiaries in Mainland China for which deferred tax liabilities have not been recognized totalled approximately RMB478,209,000, RMB608,765,000, RMB747,362,000 and RMB800,399,000 as at December 31, 2017, 2018 and 2019 and April 30, 2020, respectively.

Deferred tax assets have not been recognized in respect of the following items:

	December 31,			April 30,
	2017	2018	2019	2020
	RMB'000	RMB'000	RMB'000	RMB'000
Tax losses	1,092,482	788,603	1,290,168	1,377,774
Deductible temporary differences	350,355	388,894	198,755	243,125
	1,442,837	1,177,497	1,488,923	1,620,899

Deferred tax assets are recognized for tax losses carried forward to the extent that the realization of the related tax benefits through future taxable profits is probable. As at December 31, 2017, 2018 and 2019 and April 30, 2020, the Group did not recognize deferred tax assets of approximately RMB273,121,000, RMB197,151,000, RMB322,542,000 and RMB344,444,000 in respect of losses amounting to approximately RMB1,092,482,000, RMB788,603,000, RMB1,290,168,000 and RMB1,377,774,000, respectively, that can be carried forward to offset against future taxable income. These tax losses will expire up to and including years 2018, 2019, 2020, 2021, 2022, 2023, 2024 and 2025, respectively.

20. PROPERTIES UNDER DEVELOPMENT

	December 31,			April 30,
	2017	2018	2019	2020
	RMB'000	RMB'000	RMB'000	RMB'000
At the beginning of the year/period	26,525,704	44,645,814	66,993,973	86,103,704
Additions	24,020,071	31,256,643	43,566,323	12,382,987
Acquisition of subsidiaries (note 38)	293,243	2,716,580	—	—
Disposal of subsidiaries (note 39)	—	(325)	(1,273,831)	—
Transferred to investment properties (note 15)	—	(185,048)	(93,652)	—
Transferred to completed properties held for sale (note 21)	(6,055,114)	(11,149,974)	(23,247,505)	(4,222,295)
Impairment losses (note 6)	(138,090)	(289,717)	(183,913)	—
Impairment losses transferred to complete properties held for sale (note 21)	—	—	342,309	—
At the end of the year/period	44,645,814	66,993,973	86,103,704	94,264,396

The movements in provision for impairment of properties under development are as follows:

	December 31,			April 30,
	2017	2018	2019	2020
	RMB'000	RMB'000	RMB'000	RMB'000
At the beginning of the year/period	—	(138,090)	(427,807)	(269,411)
Impairment losses (note 6)	(138,090)	(289,717)	(183,913)	—
Impairment losses transferred to completed properties held for sale (note 21)	—	—	342,309	—
At the end of the year/period	(138,090)	(427,807)	(269,411)	(269,411)

The Group's properties under development are situated on leasehold land in Mainland China.

Certain of the Group's properties under development with aggregate carrying amounts of approximately RMB25,329,316,000, RMB31,143,384,000, RMB47,785,794,000 and RMB49,139,425,000 as at December 31, 2017, 2018 and 2019 and April 30, 2020, respectively, have been pledged to secure bank and other borrowings granted to the Group (note 31).

21. COMPLETED PROPERTIES HELD FOR SALE

	December 31,			April 30,
	2017	2018	2019	2020
	RMB'000	RMB'000	RMB'000	RMB'000
At the beginning of the year/period	6,054,880	4,687,880	5,504,494	8,884,710
Transferred from properties under development (note 20)	6,055,114	11,149,974	23,247,505	4,222,295
Transferred to investment properties (note 15)	—	(8,777)	(188,265)	—
Transferred to cost of inventories sold (note 6)	(7,520,133)	(10,419,947)	(19,407,407)	(2,139,695)
Impairment losses transferred from properties under development (note 20)	—	—	(342,309)	—
Impairment losses (note 6)	(6,572)	(18,915)	(265,295)	—
Impairment losses written off	104,591	114,279	335,987	42,153
At the end of the year/period	4,687,880	5,504,494	8,884,710	11,009,463

The movements in provision for impairment of completed properties held for sale are as follows:

	December 31,			April 30,
	2017	2018	2019	2020
	RMB'000	RMB'000	RMB'000	RMB'000
At the beginning of the year/period	(445,547)	(347,528)	(252,164)	(523,781)
Impairment losses written off	104,591	114,279	335,987	42,153
Impairment losses transferred from properties under development (note 20)	—	—	(342,309)	—
Impairment losses (note 6)	(6,572)	(18,915)	(265,295)	—
At the end of the year/period	(347,528)	(252,164)	(523,781)	(481,628)

Certain of the Group's completed properties held for sale with aggregate carrying amounts of approximately RMB885,002,000, RMB1,096,549,000, RMB686,870,000 and RMB1,300,168,000 as at December 31, 2017, 2018 and 2019 and April 30, 2020, respectively, have been pledged to secure bank and other borrowings granted to the Group (note 31).

The value of completed properties held for sale was assessed at the end of each of the Relevant Periods. An impairment exists when the carrying value exceeds its net realizable value. The net realizable value is determined by reference to the selling price based on the prevailing market price less applicable selling expenses.

22. TRADE RECEIVABLES

	December 31,			April 30,
	2017	2018	2019	2020
	RMB'000	RMB'000	RMB'000	RMB'000
Trade receivables	108,003	147,927	26,725	24,394
Impairment	(4,396)	(3,217)	(1,365)	(1,536)
At the end of the year/period	103,607	144,710	25,360	22,858

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

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

	December 31,			April 30,
	2017	2018	2019	2020
	RMB'000	RMB'000	RMB'000	RMB'000
Within 1 year	92,574	114,935	19,092	17,674
1 to 3 years	7,583	27,697	3,551	2,477
Over 3 years	3,450	2,078	2,717	2,707
	103,607	144,710	25,360	22,858

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

	December 31,			April 30,
	2017	2018	2019	2020
	RMB'000	RMB'000	RMB'000	RMB'000
At the beginning of the year/period	3,603	4,396	3,217	1,365
Impairment losses (note 6)	1,109	(884)	(1,120)	171
Amount written off as uncollectible	(316)	(295)	(732)	—
At the end of the year/period	4,396	3,217	1,365	1,536

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

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

As at December 31, 2017:

	Ageing			
	Less than 1-year	1 to 3 years	Over 3 years	Total
Expected credit loss rate	1.7%	14.9%	30.0%	4.1%
Gross carrying amount	94,160	8,914	4,929	108,003
Expected credit losses	1,586	1,331	1,479	4,396

As at December 31, 2018:

	Ageing			
	Less than 1 year	1 to 3 years	Over 3 years	Total
Expected credit loss rate	0.7%	3.2%	41.6%	2.2%
Gross carrying amount	115,743	28,626	3,558	147,927
Expected credit losses	808	929	1,480	3,217

As at December 31, 2019:

	Ageing			
	Less than 1 year	1 to 3 years	Over 3 years	Total
Expected credit loss rate	0.4%	5.0%	28.8%	5.1%
Gross carrying amount	19,172	3,739	3,814	26,725
Expected credit losses	80	187	1,098	1,365

As at April 30, 2020:

	Ageing			
	Less than 1 year	1 to 3 years	Over 3 years	Total
Expected credit loss rate	1.0%	6.8%	30.4%	6.3%
Gross carrying amount	17,845	2,658	3,891	24,394
Expected credit losses	171	181	1,184	1,536

23. CONTRACT COST ASSETS

	December 31,			April 30,
	2017	2018	2019	2020
	RMB'000	RMB'000	RMB'000	RMB'000
Contract costs arising from sale of properties	221,228	330,480	481,756	617,497

Management expected that the contract acquisition costs, which represented primarily sales commission for obtaining property sale contracts, are recoverable. The Group has deferred the amounts paid and will charge them to profit or loss when the related revenue is recognized. As at December 31, 2017, 2018 and 2019 and April 30, 2020, the amounts charged to profit or loss were RMB111,179,000, RMB124,536,000, RMB308,834,000, and RMB40,105,000, respectively, and there was no impairment loss in relation to the remaining balance.

24. PREPAYMENTS AND OTHER RECEIVABLES

	December 31,			April 30,
	2017	2018	2019	2020
	RMB'000	RMB'000	RMB'000	RMB'000
Prepayments for acquisition of land use rights	2,882,079	765,189	5,593,922	2,673,395
Deposits for land auction	1,711,750	1,038,160	254,453	218,153
Deposits related to land use rights to be jointly acquired with third parties	1,292,945	633,895	702,435	454,877
Prepaid taxes and other tax recoverables	946,102	1,732,299	2,690,222	2,905,624
Other deposits	467,612	564,751	565,820	577,817
Prepayments for construction cost	83,727	183,473	216,700	145,107
Due from non-controlling shareholders of the subsidiaries	—	1,224,304	1,926,002	2,023,209
Other receivables	190,222	223,807	297,197	272,554
	7,574,437	6,365,878	12,246,751	9,270,736
Less: Impairment	(468)	(1,789)	(2,992)	(2,601)
	7,573,969	6,364,089	12,243,759	9,268,135

Other receivables are unsecured, non-interest-bearing and have no fixed terms of repayment.

The movements in provision for impairment of receivables are as follows:

	December 31,			April 30,
	2017	2018	2019	2020
	RMB'000	RMB'000	RMB'000	RMB'000
At the beginning of the year/period	206	468	1,789	2,992
Impairment losses (note 6)	262	1,321	1,203	(391)
At the end of the year/period	468	1,789	2,992	2,601

The internal credit rating of amounts due from non-controlling shareholders of subsidiaries and other deposits was regarded as the grade of performing. The Group has assessed that the credit risk of these receivables has not increased significantly since initial recognition. The expected loss rate of these receivables is assessed to be 0.1%. The Group has evaluated the expected loss rate and gross carrying amount, measured the impairment based on the 12-month expected credit losses, and assessed that the expected credit losses were RMB468,000, RMB1,789,000, RMB2,992,000 and RMB2,601,000 as at December 31, 2017, 2018 and 2019 and April 30, 2020, respectively.

Certain of the Group's prepayments and other receivables with a carrying value of approximately RMB796,850,000 and nil as at December 31, 2019 and April 30, 2020 have been pledged to secure the Group's interest-bearing bank and other borrowings (note 31).

25. OTHER NON-CURRENT ASSETS

	December 31,			April 30,
	2017	2018	2019	2020
	RMB'000	RMB'000	RMB'000	RMB'000
Prepayments for equity investments	1,712,644	2,616,156	1,402,644	1,402,644

Shenzhen Jinhui Investment Co., Ltd. signed an agreement with 葉卓迪 (Mr. Zhuodi Ye), 葉海景 (Mr. Haijing Ye), 鍾勇新 (Mr. Yongxin Zhong), on October 10, 2017 to purchase a subsidiary of Huizhou Hengshengtai Properties Development Co., Ltd. The total agreed purchase price was RMB120,000,000. According to the agreement, the Group has already paid RMB30,000,000 as at December 31, 2017. The equity transaction has completed as at December 31, 2018.

Fuzhou Jinhui Real Estate Co., Ltd. signed an agreement with 泉州市億民建設發展有限公司 ("Quanzhou Yimin Construction Development Co., Ltd.", "Quanzhou Yimin") on February 25, 2016 with the purpose of acquiring land parcels through the purchase of the equity interest in project companies. The total agreed purchase price was RMB2,295,000,000. According to the agreement, the Group has already partly paid the payments to bring the balance to RMB940,000,000, RMB940,000,000, RMB940,000,000, and RMB940,000,000 as at December 31, 2017, 2018 and 2019 and April 30, 2020, respectively. The equity transaction has not completed as at April 30, 2020.

Xi'an Jinhui Properties signed an property development cooperation agreement with 陝西世紀春天房地產有限公司 ("Shaanxi Shiji Chuntian Real Estate Co., Ltd.") on January 25, 2017 with the purpose of acquiring land parcels through the purchase of the equity interest in a project company, namely Xi'an Zhencui Properties Co., Ltd. ("Xi'an Zhencui Properties"). The total transfer price was RMB966,944,000. According to the agreement, the Group has already partly paid the payments to bring the balance to RMB462,643,500, RMB462,643,500, RMB462,643,500 and RMB462,643,500 as at December 31, 2017, 2018 and 2019 and April 30, 2020, respectively. The equity transaction has not completed as at April 30, 2020.

Beijing Juye Investment Co., Ltd. signed an agreement, with 福建友鑫投資有限公司 ("Fujian Youxin Investment Co., Ltd."), 福建東威投資有限公司 ("Fujian Dongwei Investment Co., Ltd."), 福建都鑫華投資發展有限公司 ("Fujian Duxinhua Investment Development Co., Ltd.") and 福清市鴻霖投資有限公司 ("Fuqing Honglin Investment Co., Ltd.") on January 27, 2017 to purchase equity interests in Wuhan Sanjianghui. The total transfer price was RMB1,213,512,000. According to the agreement, the Group has already partly paid the payments to bring the balance to RMB280,000,000 and RMB1,213,512,000 as at December 31, 2017 and 2018, respectively. The equity transaction has completed as at December 31, 2019.

26. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	December 31,			April 30,
	2017	2018	2019	2020
	RMB'000	RMB'000	RMB'000	RMB'000
Unlisted investments, at fair value	134,790	1,325,671	315,690	315,866
Analyzed into:				
Current portion	12,033	1,217,190	5,739	3,775
Non-current portion	122,757	108,481	309,951	312,091

The above unlisted investments at the end of each of the Relevant Periods were wealth management products issued by financial institutions in Mainland China. They were mandatorily classified as financial assets at fair value through profit or loss as their contractual cash flows are not solely payments of principal and interest.

27. CASH AND CASH EQUIVALENTS, RESTRICTED CASH AND PLEDGED DEPOSITS

	December 31,			April 30,
	2017	2018	2019	2020
	RMB'000	RMB'000	RMB'000	RMB'000
Cash and bank balances	6,103,343	14,199,749	13,399,755	12,741,879
Less: Restricted cash	1,478,041	3,278,066	3,762,566	4,030,926
Pledged deposits	1,069,969	989,627	418,642	303,419
Cash and cash equivalents	3,555,333	9,932,056	9,218,547	8,407,534

Pursuant to relevant regulations in the PRC, certain property development companies of the Group are required to place certain amounts of cash in designated bank accounts for specified use. As at December 31, 2017, 2018, 2019 and as at April 30, 2020, such restricted cash amounted to RMB1,471,471,000, RMB3,268,356,000, RMB3,697,599,000 and RMB3,857,435,000, respectively. As at December 31, 2017, 2018, 2019 and as at April 30, 2020, the restricted cash included construction loan mortgages amounting to RMB6,570,000, RMB8,995,000, RMB64,967,000 and RMB172,891,000, respectively. As at December 31, 2017, 2018, 2019 and as at April 30, 2020, the restricted cash amounting to nil, RMB715,000, RMB1,341,000 and RMB570,000 was frozen by the People's Court due to lawsuits, respectively.

Bank deposits of RMB388,705,000, RMB226,745,000, RMB211,873,000 and RMB93,363,000 were pledged as security for bank and other borrowings as at December 31, 2017, 2018, 2019 and as at April 30, 2020 (note 31), respectively. Bank deposits of RMB681,264,000, RMB762,882,000, RMB206,769,000 and RMB210,056,000 were pledged as security for purchasers' mortgage loans, construction of projects and notes payable as at December 31, 2017, 2018, 2019 and April 30, 2020, respectively.

	December 31,			April 30,
	2017	2018	2019	2020
	RMB'000	RMB'000	RMB'000	RMB'000
Cash and cash equivalents				
Denominated in RMB	3,529,611	9,906,620	8,845,189	8,231,049
Denominated in US$	16,307	17,167	367,932	170,052
Denominated in HK$	9,415	8,269	5,426	6,433
	3,555,333	9,932,056	9,218,547	8,407,534

The RMB is not freely convertible into other currencies, however, under Mainland China's Foreign Exchange Control Regulations and Administration of Settlement, Sale and Payment of Foreign Exchange Regulations, the Group is permitted to exchange RMB for other currencies through banks authorized to conduct foreign exchange business.

Cash at banks earns interest at floating rates based on daily bank deposit rates. The bank balances are deposited with creditworthy banks with no recent history of default. The carrying amounts of the cash and cash equivalents approximated to their fair values.

The internal credit rating of restricted cash, pledged deposits and cash and cash equivalents was regarded as the grade of performing. The Group has assessed that the credit risk of the restricted cash, pledged deposits and cash and cash equivalents has not increased significantly since initial recognition and it has measured the impairment based on 12-month expected credit losses, and has assessed that the expected credit losses are immaterial.

28. TRADE AND BILLS PAYABLES

An ageing analysis of the trade and bills payables as at the end of each of the Relevant Periods, based on the invoice date, is as follows:

	December 31,			April 30,
	2017	2018	2019	2020
	RMB'000	RMB'000	RMB'000	RMB'000
Less than 1 year	3,789,508	5,532,974	7,936,020	7,179,118
Over 1 year	615,052	550,778	465,553	439,556
	4,404,560	6,083,752	8,401,573	7,618,674

Trade and bills payables are unsecured and interest-free and are normally settled based on the progress of construction.

The fair values of trade and bills payables as at the end of each of the Relevant Periods approximated to their corresponding carrying amounts due to their relatively short maturity terms.

29. OTHER PAYABLES AND ACCRUALS

	December 31,			April 30,
	2017	2018	2019	2020
	RMB'000	RMB'000	RMB'000	RMB'000
Outstanding payables arising from the acquisition of equity interests	724,617	962,781	486,492	205,219
Due to non-controlling shareholders of subsidiaries	662,425	1,197,027	1,274,563	1,360,129
Deposits	376,271	597,933	569,790	528,916
Payroll and welfare payable	205,384	279,743	263,144	132,999
Retention deposits related to construction	127,167	100,883	120,950	104,899
Interest payable	85,252	101,749	169,295	191,336
Other tax and surcharges	73,768	257,166	138,828	64,498
Accrued expenses	51,068	110,660	145,032	140,824
Others	109,968	131,844	132,555	166,265
	2,415,920	3,739,786	3,300,649	2,895,085

Other payables and advances from non-controlling shareholders of subsidiaries are unsecured and repayable on demand. The fair values of other payables at the end of each of the Relevant Periods approximated to their corresponding carrying amounts.

30. CONTRACT LIABILITIES

The Group recognized the following revenue-related contract liabilities:

	December 31,			April 30,
	2017	2018	2019	2020
	RMB'000	RMB'000	RMB'000	RMB'000
Contract liabilities	24,602,223	41,935,011	56,685,129	62,074,715

Included in the Group's contract liabilities are amounts due to the Group's related parties of RMB11,682,000, RMB72,857,000, RMB150,792,000 and RMB154,112,000 as at December 31, 2017, 2018 and 2019 and April 30, 2020, respectively (note 42(4)).

The Group receives payments from customers based on billing schedules as established in the property sales contracts. Payments are usually received in advance of the performance under the contracts which are mainly from property development and sales.

The following table shows the revenue recognized during the Relevant Periods related to contract liabilities which are carried forward.

	December 31,			April 30,
	2017	2018	2019	2020
	RMB'000	RMB'000	RMB'000	RMB'000
Revenue recognized that was included in the contract liability balance at the beginning of the year/period				
Sale of properties	9,660,150	13,906,142	20,091,303	2,019,579

The following table includes the transaction price allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) related to the sale of properties as at the end of each of the Relevant Periods.

	December 31,			April 30,
	2017	2018	2019	2020
	RMB'000	RMB'000	RMB'000	RMB'000
Expected to be satisfied				
within 1 year	14,456,754	21,994,146	33,250,619	34,134,894
after 1 year	14,847,077	26,206,052	33,207,634	34,934,086
	29,303,831	48,200,198	66,458,253	69,068,980

31. INTEREST-BEARING BANK AND OTHER BORROWINGS

	December 31, 2017			December 31, 2018			December 31, 2019			April 30, 2020		
	Effective interest rate (%)	Maturity	RMB'000	Effective interest rate (%)	Maturity	RMB'000	Effective interest rate (%)	Maturity	RMB'000	Effective interest rate (%)	Maturity	RMB'000
Current												
Bank borrowings — secured			—	4.48	2019	100,000	4.96	2020	8,000			—
Other borrowings — secured	7.98-9.00	2018	3,166,405	8.50-10.85	2019	2,760,420	9.80-10.70	2020	4,219,500	9.50-11.00	2021	4,441,067
Other borrowings-unsecured			—			—	6.50	2020	818,192	6.50	2021	363,310
Current portion of long term bank borrowings — secured	4.75-7.50	2018	1,580,730	4.42-7.60	2019	2,671,493	4.99-8.08	2020	3,885,829	4.75-8.10	2021	4,282,291
Current portion of other borrowings — secured	5.40-9.00	2018	3,839,690	7.13-10.39	2019	9,585,250	7.03-11.30	2020	5,047,790	7.03-11.30	2021	5,484,512
			8,586,825			15,117,163			13,979,311			14,571,180
Non-current												
Bank borrowings — secured	4.42-7.98	2019-2021	5,126,040	4.75-8.08	2020-2023	8,355,547	5.30-8.20	2021-2024	13,307,054	4.75-8.20	2021-2024	15,881,892
Other borrowings — secured	5.40-9.50	2019-2020	12,047,468	6.18-11.50	2020	5,812,300	8.74-11.50	2021-2022	6,159,200	9.70-11.50	2021-2022	5,401,100
			17,173,508			14,167,847			19,466,254			21,282,992
			25,760,333			29,285,010			33,445,565			35,854,172

Bank and Other Borrowings

	December 31,			April 30,
	2017	**2018**	**2019**	**2020**
	RMB'000	**RMB'000**	**RMB'000**	**RMB'000**
Analyzed into:				
Bank borrowings repayable:				
Within one year	1,580,730	2,771,493	3,893,829	4,282,291
In the second year	1,490,000	2,137,480	4,569,985	9,531,399
In the third to fifth years, inclusive	3,636,040	6,218,067	8,737,069	6,350,493
	6,706,770	11,127,040	17,200,883	20,164,183
Other borrowings repayable:				
Within one year	7,006,095	12,345,670	10,085,482	10,288,889
In the second year	12,047,468	5,812,300	5,192,000	4,810,700
In the third to fifth years, inclusive	—	—	967,200	590,400
	19,053,563	18,157,970	16,244,682	15,689,989
	25,760,333	29,285,010	33,445,565	35,854,172

The Group's borrowings are denominated in RMB.

Certain of the Group's bank and other borrowings are secured by the pledges of the following assets with carrying values at the end of each of the Relevant Periods as follows:

		December 31,			April 30,
	Notes	**2017**	**2018**	**2019**	**2020**
		RMB'000	**RMB'000**	**RMB'000**	**RMB'000**
Property, plant and equipment	*13*	34,196	30,338	28,088	26,742
Land use rights	*14*	4,143	4,003	4,902	4,744
Investment properties	*15*	2,881,218	1,903,320	2,092,171	2,521,929
Properties under development	*20*	25,329,316	31,143,384	47,785,794	49,139,425
Completed properties held for sale	*21*	885,002	1,096,549	686,870	1,300,168
Prepayments and other receivables	*24*	—	—	796,850	—
Pledged deposits	*27*	388,705	226,745	211,873	93,363

The management of the Company has assessed that the fair values of interest-bearing bank and other borrowings approximate to their carrying amounts largely due to the fact that such borrowings were made between the Group and independent third party financial institutions based on prevailing market interest rates.

A controlling shareholder, Ms. Lam Fung Ying, has guaranteed certain of the bank and other borrowings of up to RMB600,000,000, RMB307,500,000, RMB669,000,000 and nil as at December 31, 2017, 2018 and 2019 and April 30, 2020, respectively.

Xi'an Yaowei Real Estate Co., Ltd. has guaranteed certain of the bank and other borrowings of up to nil, nil, RMB300,000,000 and RMB300,000,000 as at December 31, 2017, 2018 and 2019 and April 30, 2020, respectively.

金科地產集團股份有限公司 (Jinke Real Estate Group Co., Ltd.) has guaranteed certain of the bank and other borrowings of up to RMB98,897,000, RMB281,815,000, RMB52,204,000 and RMB52,204,000 as at December 31, 2017, 2018 and 2019 and April 30, 2020, respectively.

合肥新城創置房地產有限公司 (Hefei Xincheng Chuangzhi Properties Co., Ltd.) , 安徽融僑置業有限公司 (Anhui Rongqiao Properties Co.,Ltd), 合肥旭輝企業管理有限公司 (Hefei Xuhui Corporate Management Co., Ltd.), 安徽保利房地產開發有限公司 (Anhui Poly Real Estate Development Co., Ltd.), 北京東興聯永同昌投資管理有限公司 (Beijing Dongxinglianyongtongchang Investment Management Ltd.) and 湖北清能投資發展集團有限公司 (Hubei Qingneng Investment Development Group Limited) have guaranteed certain of the bank and other borrowings of up to RMB700,000,000 and RMB100,000,000, nil and nil as at December 31, 2017, 2018 and 2019 and April 30, 2020, respectively.

碧桂園地產集團有限公司 (Country Garden Real Estate Group Co., Ltd) has guaranteed certain of the bank and other borrowings of up to nil, RMB262,659,000 and RMB62,400,000 and RMB 52,800,000 as at December 31, 2017, 2018 and 2019 and April 30, 2020, respectively.

揚州萬科房地產有限公司 (Yangzhou Vanke Properties Co., Ltd) has guaranteed certain of the bank and other borrowings of up to nil, RMB77,896,000, nil and nil as at December 31, 2017, 2018 and 2019 and April 30, 2020, respectively.

深圳市龍光控股有限公司 (Shenzhen Longguang Holdings Limited) has guaranteed certain of the bank and other borrowings of up to nil, RMB100,000,000, RMB70,000,000 and RMB55,000,000 as at December 31, 2017, 2018 and 2019 and April 30, 2020, respectively.

中新蘇州工業園區市政公用發展集團有限公司 (China Singapore Suzhou industrial park Public Utilities Development Group Limited) has guaranteed certain of the bank and other borrowings of up to nil, RMB99,050,000, nil and nil as at December 31, 2017, 2018 and 2019 and April 30, 2020, respectively.

上海中梁地產集團有限公司 (Shanghai Zhongliang Real Estate Group Co., Ltd) has guaranteed certain of the bank and other borrowings of up to nil, RMB48,000,000, RMB330,000,000 and RMB52,800,000 as at December 31, 2017, 2018 and 2019 and April 30, 2020, respectively.

湖北三峽華翔集團有限公司 (Hubei Sanxia Hua Xiang Group Co., Ltd) and 福建友興投資有限公司 (Fujian Youxing Investment Co., Ltd) have guaranteed certain of the bank and other borrowings of up to nil and nil, RMB984,000,000 and RMB983,000,000 as at December 31, 2017, 2018 and 2019 and April 30, 2020, respectively.

重慶置盛泓熠企業管理有限公司 (Chongqing Zhisheng Hongyi Corporate Management Co., Ltd.) has guaranteed certain of the bank and other borrowings of up to nil, nil, RMB715,500,000 and RMB657,490,000 as at December 31, 2017, 2018 and 2019 and April 30, 2020, respectively.

32. PROCEEDS FROM ASSET-BACKED SECURITIES ("ABS")

Name of ABSs	Principal	Contractual interest rate per annum (%)	Maturity	December 31, 2017 Closing balance
	RMB'000			RMB'000
Beijing Jinhui Jinjiang Property Services	521,000	4.3-5.9	2017-2022	520,215
Less: Current portion				88,429
Non-current portion				431,786

Name of ABSs	Principal	Contractual interest rate per annum (%)	Maturity	December 31, 2018 Closing balance
	RMB'000			RMB'000
Beijing Jinhui Jinjiang Property Services	434,000	4.3-5.9	2017-2022	436,057
Jinhui Group Housing Residual Payment	1,020,000	7.2-8.2	2020	1,029,259
Jinhui Group Jinhui Building	2,979,000	6	2018-2036	2,978,637
				4,443,953
Less: Current portion				193,077
Non-current portion				4,250,876

Name of ABSs	Principal	Contractual interest rate per annum (%)	Maturity	December 31, 2019 Closing balance
	RMB'000			RMB'000
Jinhui Group Housing Residual Payment	1,020,000	7.2-8.2	2020	1,030,824
Jinhui Group Jinhui Building	2,911,500	6	2018-2036	2,917,482
Dongxing Mingzhu	650,000	7.5 -8.5	2021	634,334
				4,582,640
Less: Current portion				1,156,041
Non-current portion				3,426,599

Name of ABSs	Principal	Contractual interest rate per annum (%)	Maturity	April 30, 2020 Closing balance
	RMB'000			RMB'000
Jinhui Group Housing Residual Payment	218,042	7.2-8.2	2020	217,974
Jinhui Group Jinhui Building	2,871,500	6	2018-2036	2,894,424
Dongxing Mingzhu	650,000	7.5 -8.5	2021	641,461
				3,753,859
Less: Current portion				376,947
Non-current portion				3,376,912

The balance represented proceeds received from special purpose entities ("SPE") set up by financial institutions in the PRC for issuance of asset-backed securities, to which the Group has collateralized certain future trade receivables for the remaining receipts from the provision of property management services, the sale of properties and property lease income. Under an assignment arrangement between the Group and the SPE, as and when the Group receives the sales proceeds from customers, the Group would remit any cash flows it collects on behalf of the SPE.

Certain of the Group's asset-backed securities are secured by the pledges of property, plant and equipment of nil, RMB24,047,000, RMB24,071,000 and RMB23,870,000 (note 13), right-of-use assets of nil, RMB21,361,000, RMB20,854,000 and RMB20,670,000 (note 14), and investment properties of nil, RMB4,435,500,000, RMB4,811,200,000 and RMB4,877,500,000 (note 15) at December 31, 2017, 2018 and 2019 and April 30, 2020, respectively.

33. SENIOR NOTES

Name of senior note	January 1, 2019 Opening balance	Issued in 2019	Interest expense	Payment	December 31, 2019 Closing balance
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
2021 Notes	—	1,706,044	34,154	—	1,740,198
Analysed into:					
Non-current portion					1,706,044
Current portion					34,154

Name of senior notes	January 1, 2020 Opening balance	Issued in 2020	Interest expense	Payment	April 30, 2020 Closing balance
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
2021 Notes	1,740,198	—	95,606	—	1,835,804
2022 Notes	—	2,066,340	78,611	—	2,144,951
					3,980,755
Analysed into:					
Non-current portion					3,812,267
Current portion					168,488

On October 31, 2019, Radiance Capital Investments has completed to issue senior notes due in 2021 (the "2021 Notes"), which were publicly listed on the Singapore Exchange Securities Trading Limited. The 2021 Notes are denominated in USD amounting to US$250,000,000 and bear interest at a rate of 11.75% per annum, payable every six months in arrears on November 1 and May 1 or on the business day nearest hereto each half year, beginning on November 1, 2019.

At any time prior to October 31, 2021, Radiance Capital Investments may at its option redeem the 2021 Notes, in whole but not in part, at a redemption price equal to 100% of the principal amount of the 2021 Notes plus the applicable premium as of, and accrued and unpaid interest, if any, to (but not including) the redemption date. The directors of the Company are of the opinion that they have no plan to redeem the 2021 Notes in the year 2020.

On January 16, 2020, Radiance Capital Investments has completed to issue senior notes due in 2022 (the "2022 Notes"), which were publicly listed on the Singapore Exchange Securities Trading Limited. 2022 Notes are denominated in USD amounting to US$300,000,000 and bear interest at a rate of 10.5% per annum, payable every six months in arrears on January 16 and July 16 or on the business day nearest hereto each half year, beginning on January 17, 2020.

At any time prior to January 16, 2022, Radiance Capital Investments may at its option redeem the 2022 Notes, in whole but not in part, at a redemption price equal to 100% of the principal amount of the 2022 Notes plus the applicable premium as of, and accrued and unpaid interest, if any, to (but not including) the redemption date. The directors of the Company are of the opinion that they have no plan to redeem the 2022 Notes in the year of 2020.

34. CORPORATE BONDS

Name of bonds	January 1, 2017 Opening balance	Issued in 2017	Interest expense	Payment	December 31, 2017 Closing balance
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
16 Jinhui 01 (note 1)	531,669	—	38,159	(36,500)	533,328
16 Jinhui 02 (note 2)	1,568,263	—	100,434	(97,500)	1,571,197
16 Jinhui 03 (note 3)	1,040,284	—	66,629	(65,000)	1,041,913
16 Jinhui 04 (note 4)	621,718	—	48,105	(45,000)	624,823
16 Jinhui 05 (note 5)	1,549,268	—	114,145	(111,000)	1,552,413
16 Jinhui 06 (note 6)	914,728	—	61,868	(59,400)	917,196
16 Jing Juye Real Estate ZR001 (note 7)	802,462	—	41,250	(40,800)	802,912
16 Jing Juye Real Estate ZR002 (note 8)	702,075	—	36,172	(35,700)	702,547
	7,730,467	—	506,762	(490,900)	7,746,329

Name of bonds	January 1, 2018 Opening balance	Issued in 2018	Interest expense	Payment	December 31, 2018 Closing balance
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
16 Jinhui 01 (note 1)	533,328	—	38,291	(36,500)	535,119
16 Jinhui 02 (note 2)	1,571,197	—	100,636	(97,500)	1,574,333
16 Jinhui 03 (note 3)	1,041,913	—	66,742	(65,000)	1,043,655
16 Jinhui 04 (note 4)	624,823	—	48,366	(45,000)	628,189
16 Jinhui 05 (note 5)	1,552,413	—	113,779	(111,000)	1,555,192
16 Jinhui 06 (note 6)	917,196	—	61,509	(59,400)	919,305
16 Jing Juye Real Estate ZR001 (note 7)	802,912	—	37,888	(840,800)	—
16 Jing Juye Real Estate ZR002 (note 8)	702,547	—	33,153	(735,700)	—
18 Jinhui 01 (note 9)	—	995,500	54,075	—	1,049,575
18 Jinhui 02 (note 10)	—	1,696,260	32,943	—	1,729,203
18 Jinhui 03 (note 11)	—	399,600	4,667	—	404,267
	7,746,329	3,091,360	592,049	(1,990,900)	9,438,838

Name of bonds	January 1, 2019 Opening balance	Issued in 2019	Interest expense	Payment	December 31, 2019 Closing balance
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
16 Jinhui 01 (note 1)	535,119	—	34,630	(69,355)	500,394
16 Jinhui 02 (note 2)	1,574,333	—	104,359	(167,500)	1,511,192
16 Jinhui 03 (note 3)	1,043,655	—	33,866	(815,000)	262,521
16 Jinhui 04 (note 4)	628,189	—	16,811	(645,000)	—
16 Jinhui 05 (note 5)	1,555,192	—	55,808	(1,611,000)	—
16 Jinhui 06 (note 6)	919,305	—	40,095	(959,400)	—
18 Jinhui 01 (note 9)	1,049,575	—	78,323	(75,000)	1,052,898
18 Jinhui 02 (note 10)	1,729,203	—	122,689	(355,800)	1,496,092
18 Jinhui 03 (note 11)	404,267	—	30,115	(30,000)	404,382
19 Jinhui 01 (note 12)	—	1,991,150	93,795	—	2,084,945
19 Jinhui 02 (note 13)	—	842,450	14,301	—	856,751
19 Jinhui 03 (note 14)	—	1,125,875	7,612	—	1,133,487
	9,438,838	3,959,475	632,404	(4,728,055)	9,302,662

Name of bonds	January 1, 2020 Opening balance	Issued in 2020	Interest expense	Payment	April 30, 2020 Closing balance
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
16 Jinhui 01 (note 1)	500,394	—	11,368	(34,102)	477,660
16 Jinhui 02 (note 2)	1,511,192	—	34,797	(104,390)	1,441,599
16 Jinhui 03 (note 3)	262,521	—	6,083	(18,250)	250,354
18 Jinhui 01 (note 9)	1,052,898	—	25,415	(375,000)	703,313
18 Jinhui 02 (note 10)	1,496,092	—	36,633	—	1,532,725
18 Jinhui 03 (note 11)	404,382	—	10,034	—	414,416
19 Jinhui 01 (note 12)	2,084,945	—	51,446	—	2,136,391
19 Jinhui 02 (note 13)	856,751	—	22,019	—	878,770
19 Jinhui 03 (note 14)	1,133,487	—	28,550	—	1,162,037
	9,302,662	—	226,345	(531,742)	8,997,265

As at the end of each of the Relevant Periods, the Group's corporate bonds were repayable as follows:

	December 31,			April 30,
	2017	2018	2019	2020
	RMB'000	RMB'000	RMB'000	RMB'000
Repayable within one year	4,159,379	8,042,163	4,035,868	5,875,870
Repayable within two to four years	3,586,950	1,396,675	5,266,794	3,121,395
	7,746,329	9,438,838	9,302,662	8,997,265

Note 1: On January 14, 2016, Radiance Group has completed to issue five-year corporate bonds with a principal amount of RMB500,000,000 ("16 Jinhui 01"), which was publicly listed on the Shanghai Stock Exchange on February 2, 2016. 16 Jinhui 01 is denominated in RMB and bears interest at a rate of 7.3% per annum, is payable annually in arrears on January 13, or on the business day nearest hereto each year, beginning on January 13, 2016. Radiance Group is entitled to adjust upwards to the interest rate on the

date which is 30 days of trading prior to the third interest repayment date for the 16 Jinhui 01. Upon the adjustment, bond holders may at their options ("Put Options") sell back 16 Jinhui 01 to Radiance Group on the third interest repayment date.

In year 2019, Radiance Group chose not to adjust the interest rate of 16 Jinhui 01 and certain bond holders have sold back 16 Jinhui 01 to Radiance Group at par value of their principal amount amounting to RMB32,855,000.

Note 2: On March 24, 2016, Radiance Group has completed to issue five-year corporate bonds with a principal amount of RMB1,500,000,000 ("16 Jinhui 02"), which was publicly listed on the Shanghai Stock Exchange on April 12, 2016. 16 Jinhui 02 is denominated in RMB and bears interest at a rate of 6.5% per annum, payable annually in arrears on March 23, or on the business day nearest hereto each year, beginning on March 23, 2016. Radiance Group is entitled to adjust upwards to the interest rate on the date which is 30 days of trading prior to the third interest repayment date for the 16 Jinhui 02. Upon the adjustment, bond holders may at their options ("Put Options") sell back 16 Jinhui 02 to Radiance Group on the third interest repayment date.

In year 2019, Radiance Group chose to adjust the interest rate of 16 Jinhui 02 to 7.3% per annum from March 23, 2019 and certain bond holders have sold back 16 Jinhui 02 to Radiance Group at par value of their principal amount amounting to RMB70,000,000.

Note 3: On April 26, 2016, Radiance Group has completed to issue five-year corporate bonds with a principal amount of RMB1,000,000,000 ("16 Jinhui 03"), which was publicly listed on the Shanghai Stock Exchange on May 20, 2016. 16 Jinhui 03 is denominated in RMB and bears interest at a rate of 6.5% per annum, payable annually in arrears on April 25, or on the business day nearest hereto each year, beginning on April 25, 2016. Radiance Group is entitled to adjust upwards to the interest rate on the date which is 30 days of trading prior to the third interest repayment date for the 16 Jinhui 03. Upon the adjustment, bond holders may at their options ("Put Options") sell back 16 Jinhui 03 to Radiance Group on the third interest repayment date.

In year 2019, Radiance Group chose to adjust the interest rate of 16 Jinhui 03 to 7.3% per annum from March 23, 2019 and some bond holders have sold back 16 Jinhui 03 to Radiance Group at par value of their principal amount amounting to RMB750,000,000.

Note 4: On May 5, 2016, Radiance Group issued three-year corporate bonds with a principal amount of RMB600,000,000 ("16 Jinhui 04"), which was privately issued on the Shanghai Stock Exchange. 16 Jinhui 04 is denominated in RMB and bears interest at a rate of 7.5% per annum, payable annually in arrears on May 5, or on the business day nearest hereto each year, beginning on May 5, 2016.

Note 5: On July 5, 2016, Radiance Group issued three-year corporate bonds with a principal amount of RMB1,500,000,000 ("16 Jinhui 05"), which was privately issued on the Shanghai Stock Exchange. 16 Jinhui 05 is denominated in RMB and bears interest at a rate of 7.4% per annum, payable annually in arrears on July 5, or on the business day nearest hereto each year, beginning on July 5, 2016. Radiance Group is entitled to adjust upwards to the interest rate at the end of the second year. Upon the adjustment, bond holders may at their options ("Put Options") sell back 16 Jinhui 05 to Radiance Group on the second interest repayment date.

In year 2018, Radiance Group chose not to adjust the interest rate of 16 Jinhui 05 and no bond holders have sold back 16 Jinhui 05 to Radiance Group.

Note 6: On September 5, 2016, Radiance Group issued three-year corporate bonds with a principal amount of RMB900,000,000 ("16 Jinhui 06"), which was privately issued on the Shanghai Stock Exchange. 16 Jinhui 06 is denominated in RMB and bears interest at a rate of 6.6% per annum, payable annually in arrears on September 5, or on the business day nearest hereto each year, beginning on September 5, 2016. Radiance Group is entitled to adjust upwards to the interest rate at the end of the second year. Upon the adjustment, bond holders may at their options ("Put Options") sell back 16 Jinhui 06 to Radiance Group on the second interest repayment date.

In year 2018, Radiance Group chose not to adjust the interest rate of 16 Jinhui 06 and no bond holders have sold back 16 Jinhui 06 to Radiance Group.

Note 7: On November 2, 2016, one subsidiary of the Group, Beijing Juye Real Estate, issued two-year debt financing plans with a principal amount of RMB800,000,000 ("16 Jing Juye Real Estate ZR001"), which was privately issued on the Beijing Financial Assets Exchange. 16 Jing Juye Real Estate ZR001 is denominated in RMB and bears interest at a rate of 5.1% per annum, payable every six months in arrears on November 2, and May 2, or on the business day nearest hereto each half year, beginning on November 2, 2016.

Note 8: On November 9, 2016, one subsidiary of the Group, Beijing Juye Real Estate, issued two-year debt financing plans with a principal amount of RMB700,000,000 ("16 Jing Juye Real Estate ZR002"), which was privately issued on the Beijing Financial Assets Exchange. 16 Jing Juye Real Estate ZR002 is denominated in RMB and bears interest at a rate of 5.1% per annum, payable every six months in arrears on November 9, and May 9, or on the business day nearest hereto each half year, beginning on November 9, 2016.

Note 9: On April 23, 2018, Radiance Group issued three-year corporate bonds with a principal amount of RMB1,000,000,000 ("18 Jinhui 01"), which was privately issued on the Shanghai Stock Exchange. 18 Jinhui 01 is denominated in RMB and bears interest at a rate of 7.5% per annum, payable annually in arrears on April 23, or on the business day nearest hereto each year, beginning on April 23, 2018. Radiance Group is entitled to adjust upwards to the interest rate at the end of the second year. Upon the adjustment, bond holders may at their options ("Put Options") sell back 18 Jinhui 01 to Radiance Group on the second interest repayment date.

In year 2020, Radiance Group chose not to adjust the interest rate of 18 Jinhui 01 and certain bond holders have sold back 18 Jinhui 01 to Radiance Group at par value of their principal amount amounting to RMB300,000,000.

Note 10: On September 28, 2018, Radiance Group has completed to issue three-year corporate bonds with a principal amount of RMB1,700,000,000 ("18 Jinhui 02"), which was privately issued on the Shanghai Stock Exchange. 18 Jinhui 02 is denominated in RMB and bears interest at a rate of 7.4% per annum, payable annually in arrears on September 28, or on the business day nearest hereto each year, beginning on September 28, 2018. Radiance Group is entitled to adjust upwards to the interest rate at the end of the first and second year. Upon the adjustment, bond holders may at their options ("Put Options") sell back 18 Jinhui 02 to Radiance Group on the first and second interest repayment date.

In year 2019, Radiance Group chose not to adjust the interest rate of 18 Jinhui 02 and certain Bond holders have sold back 18 Jinhui 02 to Radiance Group at par value of their principal amount amounting to RMB320,000,000.

Note 11: On November 5, 2018, Radiance Group has completed to issue three-year corporate bonds with a principal amount of RMB400,000,000 ("18 Jinhui 03"), which was privately issued on the Shanghai Stock Exchange. 18 Jinhui 03 is denominated in RMB and bears interest at a rate of 7.5% per annum, payable annually in arrears on November 5, or on the business day nearest hereto each year, beginning on November 5, 2018. Radiance Group is entitled to adjust upwards to the interest rate at the end of the second year. Upon the adjustment, bond holders may at their options ("Put Options") sell back 18 Jinhui 03 to Radiance Group on the second interest repayment date.

Note 12: On May 23, 2019, Radiance Group has completed to issue four-year corporate bonds with a principal amount of RMB2,000,000,000 ("19 Jinhui 01"), which was publicly listed on the Shanghai Stock Exchange on May 31, 2019. 19 Jinhui 01 is denominated in RMB and bears interest at a rate of 7.5% per annum, payable annually in arrears on May 23, or on the business day nearest hereto each year, beginning on May 23, 2019. Radiance Group is entitled to adjust upwards to the interest rate on the date 20 days of trading prior to the second interest repayment date for 19 Jinhui 01. Upon the adjustment, bond holders may at their options ("Put Options") sell back 19 Jinhui 01 to Radiance Group on the third interest repayment date.

Note 13: On October 14, 2019, Radiance Group issued three-year corporate bonds with a principal amount of RMB850,000,000 ("19 Jinhui 02"), which was privately issued on the Shanghai Stock Exchange. 19 Jinhui 02 is denominated in RMB and bears interest at a rate of 7.5% per annum, payable annually in arrears on October 14, or on the business day nearest hereto each year, beginning on October 14, 2019. Radiance Group is entitled to adjust upwards to the interest rate at the end of the first and second year. Upon the adjustment, bond holders may at their options ("Put Options") sell back 19 Jinhui 02 to Radiance Group on the first and second interest repayment date.

Note 14: On November 29, 2019, Radiance Group has completed to issue four-year corporate bonds with a principal amount of RMB1,130,000,000 ("19 Jinhui 03"), which was publicly listed on the Shanghai Stock Exchange on November 5, 2019. 19 Jinhui 03 is denominated in RMB and bears interest at a rate of 7.5% per annum, payable annually in arrears on November 29, or on the business day nearest hereto each year, beginning on November 29, 2019. Radiance Group is entitled to adjust upwards to the interest rate on the date which is 15 days of trading prior to the second interest repayment date for 19 Jinhui 03. Upon the adjustment, bond holders may at their options ("Put Options") sell back 19 Jinhui 03 to Radiance Group on the third interest repayment date.

Except for 16 Jing Juye Real Estate ZR001 and 16 Jing Juye Real Estate ZR002 pledged by property, plant and equipment of RMB24,631,000 (note 13), right-of-use assets of RMB21,913,000 (note 14) and investment properties of RMB4,347,700,000 (note 15) as at December 31, 2017, all the corporate bonds were unsecured during the Relevant Periods.

After initial recognition, the corporate bonds are subsequently measured at amortized cost, using the effective interest rate method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the effective interest rate amortization process.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The effective interest rate amortization is included in finance costs in profit or loss.

35. SHARE CAPITAL

Shares

	December 31, 2019	April 30, 2020
	HK$	HK$
Authorized:		
38,000,000 ordinary shares of HK$0.01 each	380,000	380,000

A summary of movements in the Company's issued shares and fully paid share capital is as follows:

	Number of shares in issue	Share capital
		RMB'000
At October 17, 2019 (date of incorporation)	—	—
Issuance of new shares	1	—
At December 31, 2019 and January 1, 2020	1	—
Issuance of new shares	1	—
At April 30, 2020	2	—

The Company was incorporated in the Cayman Islands with limited liability on October 17, 2019 with authorized share capital of HK$380,000 divided into 38,000,000 shares of HK$0.01 at par value each.

On the date of incorporation, 1 ordinary share of HK$0.01 was allotted by the Company to a subscriber, and was transferred to Glowing Shine Limited, a company controlled by Mr. Lam Ting Keung and Ms. Lam Fung Ying, on October 17, 2019.

On March 5, 2020, the Company acquired the entire issued shares of Jubilance Properties Limited from Radiance Group Holdings at a consideration of USD3.00, which was settled by the Company allotting and issuing of one share to Glowing Shine Limited, being the direct wholly-owned subsidiary of Radiance Group Holdings, on March 5, 2020.

On October 5, 2020, the Company increased its authorized share capital to HK$100,000,000 by the creation of 9,962,000,000 additional shares of nominal value of HK$0.01 each.

Pursuant to the resolutions of Shareholders passed on October 5, 2020, conditional on the share premium account of the Company being credited as a result of the its listing on the Stock Exchange of Hong Kong Limited, the directors are authorized to capitalize HK$33,999,999.98 standing to the credit of the share premium account of the Company by applying such sum in paying up in full at par 3,399,999,998 shares for issue and allotment to holders of shares whose names appear on the register of members of the Company on the date of passing such resolution in proportion (as near as possible without involving fractions so that no fraction of a share shall be issued and allotted) to their then existing respective shareholdings in the Company. The shares to be issued and allotted pursuant to such resolution shall carry the same rights in all respects with the existing issued shares.

36. RESERVES

The amounts of the Group's reserves and the movements therein for the years ended December 31, 2017, 2018 and 2019 and the four months ended April 30, 2020 are presented in the consolidated statements of changes in equity.

(a) Capital Reserve

The capital reserve represents any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid for acquisition of non-controlling interests in subsidiaries. Details of the movements in the capital reserve are set out in the consolidated statements of changes in equity.

(b) Statutory Surplus Reserve

In accordance with the PRC Company Law and the articles of association of the subsidiaries established in the PRC, the Group is required to appropriate 10% of its net profits after tax, as determined under PRC GAAP, to the statutory surplus reserve until the reserve balance reaches 50% of its registered capital. Subject to certain restrictions set out in the relevant PRC regulations and in the articles of association of the Group, the statutory surplus reserve may be used either to offset losses, or to be converted to increase share capital, provided that the balance after such conversion is not less than 25% of the registered capital of the Group. The reserve cannot be used for purposes other than those for which it is created and is not distributable as cash dividends.

(c) Asset Revaluation Reserve

The asset revaluation reserve arises from change in use from an owner-occupied property to an investment property.

37. NOTES TO THE CONSOLIDATED STATEMENTS OF CASH FLOWS

(a) Major Non-Cash Transactions

During the Relevant Periods, the Group had non-cash additions to right-of-use assets and lease liabilities of RMB33,915,000, RMB17,807,000, RMB19,427,000 and RMB1,378,000 for the years ended December 31, 2017, 2018 and 2019, and the four months ended April 30, 2020, respectively, in respect of lease arrangements for office buildings.

The non-controlling shareholders of one subsidiary of the Group, Wuhan Sanjianghui, namely, 湖北三峽華翔集團有限公司 ("Hubei Sanxia Huaxiang Group Co., Ltd.") and 福建友興投資有限公司 ("Fujian Youxing Investment Co., Ltd."), have made a debt-for-equity swap to contribute to capital of RMB172,762,000 and RMB172,762,000 in 2019; the non-controlling shareholder of one subsidiary of the Group, Wuhan Yaoxing Properties, namely, 福建友興投資有限公司 ("Fujian Youxing Investment Co., Ltd."), has made a debt-for-equity swap to contribute to capital of RMB200,000,000 in 2019.

(b) Changes in Liabilities Arising from Financing Activities

	Proceeds from asset-based securities	Interest-bearing bank and other borrowings	Senior notes and corporate bonds	Due to related parties	Lease liabilities	Total liabilities from financing activities
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At January 1, 2017	595,951	11,932,000	7,730,467	2,164,715	8,670	22,431,803
Cash flows (used in)/from financing activities	(111,766)	13,828,333	(490,900)	898,190	(10,089)	14,113,768
New operating leases	—	—	—	—	33,915	33,915
Accrual of interest	36,030	—	506,762	—	1,743	544,535
At December 31, 2017	520,215	25,760,333	7,746,329	3,062,905	34,239	37,124,021
Cash flows from/(used in) financing activities	3,862,982	3,322,533	1,100,460	(179,092)	(17,873)	8,089,010
New operating leases	—	—	—	—	17,807	17,807
Accrual of interest	60,756	—	592,049	—	2,476	655,281
Cash flows from non-financing activities	—	202,144	—	—	—	202,144
At December 31, 2018	4,443,953	29,285,010	9,438,838	2,883,813	36,649	46,088,263
Cash flows (used in)/from financing activities	(147,160)	4,118,813	937,464	2,028,086	(26,483)	6,910,720
New operating leases	—	—	—	—	19,427	19,427
Accrual of interest	285,847	—	666,558	—	3,018	955,423
Cash flows from non-financing activities	—	41,742	—	—	—	41,742
At December 31, 2019	4,582,640	33,445,565	11,042,860	4,911,899	32,611	54,015,575
Cash flows (used in)/from financing activities	(841,958)	2,268,607	1,766,340	(501,017)	(9,478)	2,682,494
New operating leases	—	—	—	—	1,378	1,378
Accrual of interest	13,177	—	168,820	—	956	182,953
Cash flows from non-financing activities	—	140,000	—	3,382	—	143,382
At April 30, 2020	3,753,859	35,854,172	12,978,020	4,414,264	25,467	57,025,782

(c) Total cash outflow for leases

The total cash outflow for leases included in the statement of cash flows is as follows:

	December 31,			April 30,
	2017	2018	2019	2020
	RMB'000	RMB'000	RMB'000	RMB'000
Within operating activities	4,610	6,897	7,670	2,385
Within financing activities	8,634	15,100	22,715	8,522
	13,244	21,997	30,385	10,907

38. BUSINESS COMBINATIONS

(a) Acquisition of Changsha Hongtao Properties

On December 15, 2017, one subsidiary of the Group, Changsha Jinhui Real Estate Co., Ltd., acquired a 100% equity interest in Changsha Hongtao Properties from Changsha Runtao Import and Export Trading Co., Ltd. and Huaihua Runtao Design and Decoration Co., Ltd. Changsha Hongtao Properties is mainly engaged in real estate development and operation. The acquisition was part of the Group's strategy to expand its market share of property development and operation. The acquisition was satisfied by cash of RMB62,400,000 at the acquisition date.

Since the acquisition, Changsha Hongtao Properties has contributed an amount of nil to the Group's revenue and a profit of nil to the consolidated statements of profit or loss and other comprehensive income for the year ended December 31, 2017. Had the combination taken place at January 1, 2017, the revenue and net profit of the Group would have been RMB11,776,599,000 and RMB2,216,691,000, respectively.

The fair values of the identifiable assets and liabilities of Changsha Hongtao Properties as at the date of acquisition were as follows:

	Fair value recognized on acquisition
	RMB'000
Properties under development (note 20)	293,243
Cash and cash equivalents	1,651
Prepayments and other receivables	95,932
Trade and bills payables	(15,851)
Other payables and accruals	(246,988)
Contract liabilities	(55,352)
Tax payable	940
Deferred tax liabilities (note 19)	(11,175)
Total identifiable net assets at fair value	62,400
Satisfied by cash	62,400

An analysis of the cash flows in respect of the acquisition of the subsidiary is as follows:

	RMB'000
Cash considerations	(62,400)
Cash and cash equivalents acquired	1,651
Net outflow of cash and cash equivalents included in cash flows from investing activities	(60,749)

(b) Acquisition of Shaanxi Fenghong Properties

On February 4, 2018, one subsidiary of the Group, Xi'an Qitai Real Estate Co., Ltd., acquired a 100% equity interest in Shaanxi Fenghong Properties from Shaanxi Fenghe Real Estate Development Co., Ltd., Shenzhen Qianhai Oriental Venture Finance Holdings Co., Ltd. and Daye Trust Co., Ltd. Shaanxi Fenghong Properties is mainly engaged in real estate development and operation. The acquisition was part of the Group's strategy to expand its market share of property development and operation. The acquisition was satisfied by cash of RMB723,373,000 at the acquisition date and RMB432,214,000 was paid in year 2019, and the remaining RMB147,505,000 was paid in March 2020.

Since the acquisition, Shaanxi Fenghong Properties has contributed an amount of nil to the Group's revenue and a loss of RMB23,568,000 to the consolidated statement of profit or loss and other comprehensive income for the year ended December 31, 2018. Had the combination taken place at January 1, 2018, the revenue and net profit of the Group would have been RMB15,971,183,000 and RMB2,290,475,000, respectively.

The fair values of the identifiable assets and liabilities of Shaanxi Fenghong Properties as at the date of acquisition were as follows:

	Fair value recognized on acquisition
	RMB'000
Properties under development (note 20)	2,287,166
Cash and cash equivalents	1,108
Prepayments and other receivables	9,455
Deferred tax assets (note 19)	15,157
Trade and bills payables	(112,641)
Other payables and accruals	(264,237)
Contract liabilities	(173,275)
Tax payable	(16,020)
Deferred tax liabilities (note 19)	(443,621)
Total identifiable net assets at fair value	1,303,092
Total purchase consideration	(1,303,092)
Less:	
Deferred payment	579,719
Cash and cash equivalents acquired	1,108
Net outflow of cash and cash equivalents included in cash flows from investing activities	(722,265)

(c) Acquisition of Jinhui Huayuan

On December 28, 2018, one subsidiary of the Group, Suzhou Jinhui Juye, further acquired a 30% equity interest in Jinhui Huayuan from Zhongxin Suzhou Industrial Park Municipal Public Development Group Co., Ltd. ("CSSD"), and had a 100% equity interest in Jinhui Huayuan upon completion of the acquisition. Prior to the share transfer, Jinhui Huayuan is a joint venture of the Group and CSSD. CSSD was in its A share listing application process and sold its 30% equity interest in Jinhui Huayuan to the Group to dispose of its property development business according to CSSD's business strategy. The share transfer has been approved by Suzhou Industry Park office of State-owned Assets Supervision and Administration Commission and went through Suzhou Property Exchange for the public bidding process. Benefit from the quick decision process and the synergy achieved, Suzhou Jinhui Juye, as the sole bidder, was able to complete the share purchase with a starting bidding price which constitutes a bargain purchase. The acquisition was part of the Group's strategy to expand its market share of property development and operation. The acquisition was satisfied by cash of RMB34,721,000 at the acquisition date.

Since the acquisition, Jinhui Huayuan has contributed an amount of nil to the Group's revenue and a loss of nil to the consolidated statements of profit or loss and other comprehensive income for the year ended December 31, 2018. Had the combination taken place at January 1, 2018, the revenue and net profit of the Group would have been RMB16,005,723,000 and RMB2,293,780,000, respectively.

The fair values of the identifiable assets and liabilities of Jinhui Huayuan as at the date of acquisition were as follows:

	Fair value recognized on acquisition
	RMB'000
Property, plant and equipment (note 13)	11
Properties under development (note 20)	1,808
Cash and cash equivalents	146,207
Prepayments and other receivables	248,290
Deferred tax assets (note 19)	61,868
Trade and bills payables	(75,307)
Other payables and accruals	(559)
Contract liabilities	(1,439)
Tax payable	(249,916)
Total identifiable net assets at fair value	130,963
Remeasurement of a previously held equity interest at fair value at acquisition date	(91,674)
Net assets acquired	39,289
Gains on bargain purchase recognized in other income and gains in profit or loss	(4,568)
Satisfied by cash	34,721

An analysis of the cash flows in respect of the acquisition of the subsidiary is as follows:

	RMB'000
Cash considerations	(34,721)
Cash and cash equivalents acquired	146,207
Net inflow of cash and cash equivalents included in cash flows from investing activities	111,486

(d) Acquisition of Jinhui Xinyuan

On December 28, 2018, one subsidiary of the Group, Suzhou Jinhui Juye, further acquired an additional 49% equity interest in Jinhui Xinyuan, from CSSD, and had a 100% equity interest in Jinhui Xinyuan upon completion of the acquisition. Prior to the share transfer, Jinhui Xinyuan is a joint venture of the Group and CSSD. CSSD was in its A share listing application process and sold its 49% equity interest in Jinhui Xinyuan to the Group to dispose of its property development business according to CSSD's business strategy. The share transfer has been approved by Suzhou Industry Park office of State-owned Assets Supervision and Administration Commission and went through Suzhou Property Exchange for the public bidding process. Benefit from the quick decision process and the synergy achieved, Suzhou Jinhui Juye, as the sole bidder, was able to complete the share purchase with a starting bidding price which constitutes a bargain purchase. The acquisition was part of the Group's strategy to expand its market share of property development and operation. Jinhui Xinyuan is mainly engaged in real estate development and operation. The acquisition was satisfied by cash of RMB24,523,000 at the acquisition date.

Since the acquisition, Jinhui Xinyuan has contributed an amount of nil to the Group's revenue and a loss of nil to the consolidated statements of profit or loss and other comprehensive income for the year ended December 31, 2018. Had the combination taken place at January 1, 2018, the revenue and profit of the Group would have been RMB15,974,731,000 and RMB2,306,847,000, respectively.

The fair values of the identifiable assets and liabilities of Jinhui Xinyuan as at the date of acquisition were as follows:

	Fair value recognized on acquisition
	RMB'000
Property, plant and equipment (note 13)	714
Properties under development (note 20)	427,606
Cash and cash equivalents	23,116
Prepayments and other receivables	304,699
Deferred tax assets (note 19)	38,673
Trade and bills payables	(148,468)
Other payables and accruals	(3,143)
Contract liabilities	(205,041)
Tax payable	(112,095)
Deferred tax liabilities (note 19)	(845)
Interest-bearing bank and other borrowings	(202,144)
Total identifiable net assets at fair value	123,072
Remeasurement of previously held equity interest at fair value at acquisition date	(62,765)
Net assets acquired	60,307
Gains on bargain purchase recognized in other income and gains in profit or loss	(35,784)
Satisfied by cash	24,523

An analysis of the cash flows in respect of the acquisition of the subsidiary is as follows:

	RMB'000
Cash considerations	(24,523)
Cash and cash equivalents acquired	23,116
Net outflow of cash and cash equivalents included in cash flows from investing activities	(1,407)

39. DISPOSAL OF SUBSIDIARIES

(a) 福清金森緣房地產有限公司 ("Fuqing Jinsenyuan Properties Co., Ltd.", "Fuqing Jinsenyuan")

Pursuant to the resolutions of shareholders and amendments to the articles of association dated January 31, 2018, the registered capital of Fuqing Jinsenyuan increased from RMB16,670,000 to RMB50,000,000. The additional capital of RMB33,330,000 was injected by the new shareholder. One subsidiary of the Group, Fuqing Jinhui Properties' equity interest in Fuqing Jinsenyuan decreased from 100% to 33.34%. Upon the completion of the capital injection, the Group lost control over Fuqing Jinsenyuan thereafter. This transaction is accounted for as deemed disposal a subsidiary.

The carrying values of the assets and liabilities on the date of the deemded disposal were as follows:

	RMB'000
Net assets disposed of:	
Properties under development (note 20)	325
Cash and cash equivalents	16,670
Deferred tax assets	10
Other payables and accruals	(6,709)
	10,296
Net gain on deemed disposal of Fuqing Jinsenyuan	4,245
Investment in an associate	14,541
Satisfied by cash	—

An analysis of the cash flows of cash and cash equivalents in respect of the deemed disposal of Fuqing Jinsenyuan is as follows:

	December 31, 2018
	RMB'000
Cash consideration	—
Cash and cash equivalents of Fuqing Jinsenyuan disposed of	(16,670)
Net outflow of cash and cash equivalents in respect of the disposal of a subsidiary	(16,670)

(b) 北京金輝錦江物業服務有限公司 ("Beijing Jinhui Jinjiang Property Services Co., Ltd")

Pursuant to the share transfer agreement dated December 23, 2019, one subsidiary of the Group, Radiance Group, disposed of its 100% equity interest in Beijing Jinhui Jinjiang Property Services Co., Ltd. together with its subsidiaries and branches to a related party, 福州金惠物業管理有限公司 ("Fuzhou Jinhui Property Management Co., Ltd.") for a consideration of RMB27,000,000. The consideration was determined by reference to the fair value of the equity interest disposed of as at the date of disposal.

The carrying values of the assets and liabilities on the date of disposal were as follows:

	RMB'000
Net assets disposed of:	
Property, plant and equipment (note 13)	6,739
Right-of-use assets (note 14)	800
Properties under development (note 20)	1,174
Prepayments and other receivables	30,587
Deferred tax assets (note 19)	2,377
Cash and cash equivalents	63,939
Trade receivables	81,153
Trade and bills payables	(41,568)
Contract liabilities	(110,197)
Other payables and accruals	(17,111)
	17,893
Gain on disposal of a subsidiary	9,107
	27,000
Satisfied by cash	27,000

An analysis of the net outflow of cash and cash equivalents in respect of the disposal of the subsidiary is as follows:

	RMB'000
Cash consideration	27,000
Cash and cash equivalents disposed of	(63,939)
Net outflow of cash and cash equivalents in respect of the disposal of a subsidiary	(36,939)

(c) 連雲港天峻置地有限公司 ("Lianyungang Tianjun Real Estate Co., Ltd.")

Pursuant to the share transfer agreement dated July 13, 2019, one subsidiary of the Group, Shanghai Ronghui Real Estate, disposed of its 100% equity interest in Lianyungang Tianjun Real Estate Co., Ltd. to 福建通明瑞達實業有限公司 ("Fujian Tongmingruida Industrial Co., Ltd.") for a consideration of RMB211,500,000. The consideration was determined by reference to the fair value of the equity interest disposed of as at June 30, 2019.

The carrying values of the assets and liabilities on the date of disposal were as follows:

	RMB'000
Net assets disposed of:	
Property, plant and equipment (note 13)	385
Properties under development (note 20)	1,272,657
Prepayments and other receivables	1,270,012
Deferred tax assets (note 19)	28,383
Cash and cash equivalents	198,541
Trade and bills payables	(230,356)
Contract liabilities	(1,369,369)
Interest-bearing bank and other borrowings	(1,047,230)
	123,023
Gain on disposal of a subsidiary	88,477
	211,500
Satisfied by cash	211,500

An analysis of the net inflow of cash and cash equivalents in respect of the disposal of the subsidiary is as follows:

	RMB'000
Cash consideration	211,500
Cash and cash equivalents disposed of	(198,541)
Net inflow of cash and cash equivalents in respect of the disposal of a subsidiary	12,959

(d) 杭州鴻煊企業管理諮詢有限公司 ("Hangzhou Hongxuan Enterprise Management Consulting Co., Ltd." "Hangzhou Hongxuan")

Pursuant to the share transfer agreement dated October 28, 2019, one subsidiary of the Group, Suzhou Jinhui Juye, 浙江寶龍星匯企業管理有限公司 ("Zhejiang Baolongxinghui Enterprise Management Co. , Ltd.") and 杭州暨美企業管理有限公司 ("Hangzhou Jimei Enterprise Management Co., Ltd.") made capital injection into Hangzhou Hongxuan amounting to RMB21,450,000, RMB22,100,000 and RMB21,450,000, respectively. Suzhou Jinhui Juye's equity interest in Hangzhou Hongxuan changed from 100% to 33%. Upon the completion of the capital injection, the Group lost control over Hangzhou Hongxuan thereafter. This transaction is accounted for as deemed disposal of a subsidiary.

The carrying values of the assets and liabilities on the date of the deemed disposal were as follows:

	RMB'000
Net assets disposed of:	
Prepayments and other receivables	187,751
Cash and cash equivalents	21,533
Other payables and accruals	(187,841)
	21,443
Net gain on deemed disposal of Hangzhou Hongxuan	5
Investment in a associate	21,448
Satisfied by cash	—

An analysis of the cash flows of cash and cash equivalents in respect of the deemed disposal of Hangzhou Hongxuan is as follows:

	December 31, 2019
	RMB'000
Cash consideration	—
Cash and cash equivalents of Hangzhou Hongxuan disposed of	(21,533)
Net outflow of cash and cash equivalents in respect of the disposal of a subsidiary	(21,533)

40. CONTINGENT LIABILITIES

At the end of each of the Relevant Periods, contingent liabilities not provided for in the Historical Financial Information were as follows:

		December 31,			April 30,
	Notes	2017	2018	2019	2020
		RMB'000	RMB'000	RMB'000	RMB'000
Guarantees given to banks in connection with facilities granted to purchasers of the Group's properties	*(1)*	22,496,954	20,188,917	29,957,604	30,371,103
Guarantees given to banks in connection with facilities granted to related parties and third parties	*(2)*	9,191,794	12,618,514	8,659,883	7,047,313

(1) The Group provided guarantees in respect of mortgage facilities granted by certain banks to the purchasers of the Group's completed properties held for sale. Pursuant to the terms of the guarantee arrangements, in case of default on mortgage payments by the purchasers, the Group is responsible for repaying the outstanding mortgage principals together with any accrued interest and penalties owed by the defaulted purchasers to those banks.

Under the above arrangement, the related properties were pledged to the banks as collateral for the mortgage loans, and upon default on mortgage repayments by these purchasers, the banks are entitled to take over the legal titles and will realize the pledged properties through open auction.

The Group's guarantee period starts from the dates of grant of the relevant mortgage loans and ends upon the issuance and registration of property ownership certificates and mortgage certificates to the purchasers, which will generally be available within half a year to two years after the purchasers take possession of the relevant properties.

The Group did not incur any material losses during the Relevant Periods in respect of the guarantees provided for mortgage facilities granted to purchasers of the Group's completed properties held for sale. The directors of the Company considered that in case of default on payments, the net realizable value of the related properties would be sufficient to repay the outstanding mortgage loans together with any accrued interest and penalty, and therefore, no provision has been made in connection with the guarantees.

(2) The Group provided guarantees to banks and other institutions in connection with borrowings made to the related parties and third parties. The directors of the Company consider that no provision is needed in respect of the guarantees provided to the related parties as of December 31, 2017, 2018 and 2019 and April 30, 2020 since the fair value is not significant.

Except as disclosed above, during the Relevant Periods and up to the end of the Relevant Periods, neither the Group nor the Company was involved in any litigation, arbitration or administrative proceedings, claims or disputes which had a material adverse effect on the Group's financial condition or results of operation.

41. COMMITMENTS

The Group had the following capital commitments at the end of each of the Relevant Periods:

	December 31,			April 30,
	2017	2018	2019	2020
	RMB'000	RMB'000	RMB'000	RMB'000
Contracted, but not provided for:				
Property development activities	12,752,516	15,298,075	23,806,693	26,926,149
Acquisition of land use right	3,277,365	1,962,238	2,611,510	2,491,960
Capital contribution for acquisition of equity interests	3,298,156	2,274,644	2,274,644	2,274,644
Capital contribution payable to joint ventures and associates	587,004	448,853	733,554	733,554
	19,915,041	19,983,810	29,426,401	32,426,307

42. RELATED PARTY TRANSACTIONS

(1) Significant Related Party Transactions

The following transactions were carried out with related parties during the Relevant Periods:

	Year ended December 31,			Four months ended April 30,	
	2017	2018	2019	2019	2020
	RMB'000	RMB'000	RMB'000	RMB'000 (unaudited)	RMB'000
Advances from related parties:					
Joint ventures	5,262,712	6,190,110	3,535,412	819,311	244,059
Associates	467,917	1,400,567	2,526,314	2,533,932	891,884
Repayment of advances from related parties:					
Joint ventures	4,295,436	6,427,489	1,991,425	1,816,222	1,192,477
Associates	537,003	1,342,280	2,042,215	1,080,676	444,483
Property management services provided to					
Joint ventures	6,182	9,038	10,137	694	—
Associates	175	4,503	4,773	—	—
Management consulting services provided to					
Joint ventures	7,875	42,987	52,074	9,194	24,578
Associates	—	18,830	3,554	—	14,821
Sales of properties to family members of certain directors and/or the controlling shareholder	30,000	12,082	9,080	—	—
Financial Income from					
Joint ventures	200,105	83,358	332	—	—
Associates	47,587	69,269	18,891	4,522	—

	Year ended December 31,			Four months ended April 30,	
	2017	2018	2019	2019	2020
	RMB'000	RMB'000	RMB'000	RMB'000 (unaudited)	RMB'000
Advances to related parties:					
Joint ventures	11,708,359	3,901,027	5,910,142	1,314,690	1,606,641
Associates	5,705,285	4,246,353	5,567,592	237,881	1,764,790
Receipt of advances to related parties:					
Joint ventures	9,728,873	5,075,785	5,611,591	479,899	1,686,535
Associates	3,468,738	3,747,958	4,943,793	901,019	1,239,448
Property management services provided by Companies controlled by the ultimate controlling shareholders	—	—	—	—	34,413
Property lease income from a company controlled by the ultimate controlling shareholders	—	—	—	—	204

These transactions were carried out in accordance with the terms and conditions mutually agreed by the parties involved.

(2) Disposal of Subsidiaries

	December 31,			April 30,
	2017	2018	2019	2020
	RMB'000	RMB'000	RMB'000	RMB'000
Consideration of disposal of Subsidiaries (note 39(b))	—	—	27,000	—

(3) Other Transactions with Related Parties

	Year ended December 31,			Four months ended April 30,	
	2017	2018	2019	2019	2020
	RMB'000	RMB'000	RMB'000	RMB'000 (unaudited)	RMB'000
Guarantees provided to related parties:					
Joint ventures	6,716,794	7,325,464	4,028,292	5,722,160	3,606,075
Associates	2,475,000	5,293,050	3,971,591	5,767,037	3,241,238
Guarantees provided by related parties:					
Controlling shareholders	600,000	307,500	669,000	899,000	—
Associates	—	—	300,000	—	300,000

Guarantees provided by the Controlling Shareholders has been fully released in April 2020.

(4) Outstanding Balances with Related Parties

	December 31,			April 30,
	2017	2018	2019	2020
	RMB'000	RMB'000	RMB'000	RMB'000
Due from related parties:				
Trade-related:				
Joint ventures	2,002	30	641	22,849
Associates	—	7,925	530	—
Due from related parties:				
Non-trade-related*:				
Joint ventures	5,330,549	4,157,763	4,455,703	4,353,601
Associates	2,236,547	2,727,017	3,358,211	3,884,083
Due to related parties:				
Trade-related:				
Family members of certain directors and/ or controlling shareholders (note 30)	11,682	72,857	150,792	154,112
Companies controlled by the ultimate shareholders	—	—	—	3,382
Due to related parties:				
Non-trade-related*:				
Joint ventures	2,825,572	2,588,193	4,132,180	3,183,762
Associates	237,333	295,620	779,719	1,227,120

Balances with the above related parties were unsecured and repayable on demand.

* These non-trade-related balances due from/to related parties will not be settled before listing, as that intercompany transactions which cause the non-trade-related balances between the Group or its joint ventures and associates are in relation to the business operations of the relevant entities, and will be recurring in the future during the ordinary course of the Group's business, because the joint developments of property projects with third-party property developers occur in the ordinary course of the Group's business, and is one of the Group's methods of expanding its development activities and geographical coverage.

(5) Compensation of Key Management Personnel of the Group

	December 31,			April 30,
	2017	2018	2019	2020
	RMB'000	RMB'000	RMB'000	RMB'000
Short-term employee benefits	11,566	11,448	11,580	4,495
Pension scheme contributions	489	682	679	167
Total compensation paid to key management personnel	12,055	12,130	12,259	4,662

Further details of directors' emoluments are included in note 8 to the Historical Financial Information.

43. FINANCIAL INSTRUMENTS BY CATEGORY

The carrying amounts of each of the categories of financial instruments as at the end of each of the Relevant Periods are as follows:

December 31, 2017

Financial Assets

	Financial assets at amortized cost	Financial assets at FVTPL	Total
	RMB'000	RMB'000	RMB'000
Trade receivables (note 22)	103,607	—	103,607
Financial assets included in prepayments and other receivables (note 24)	467,612	—	467,612
Financial assets at fair value through profit or loss (note 26)	—	134,790	134,790
Due from related parties (note 42)	7,569,098	—	7,569,098
Restricted cash (note 27)	1,478,041	—	1,478,041
Pledged deposits (note 27)	1,069,969	—	1,069,969
Cash and cash equivalents (note 27)	3,555,333	—	3,555,333
	14,243,660	134,790	14,378,450

Financial Liabilities

	Financial liabilities at amortized cost
	RMB'000
Trade and bills payables (note 28)	4,404,560
Financial liabilities included in other payables and accruals (note 29)	2,159,468
Due to related parties (note 42)	3,062,905
Interest-bearing bank and other borrowings (note 31)	25,760,333
Lease liabilities (note 14)	34,239
Proceeds from asset-backed securities (note 32)	520,215
Corporate bonds (note 34)	7,746,329
	43,688,049

December 31, 2018

Financial Assets

	Financial assets at amortized cost	Financial assets at FVTPL	Total
	RMB'000	RMB'000	RMB'000
Trade receivables (note 22)	144,710	—	144,710
Financial assets included in prepayments and other receivables (note 24)	1,789,055	—	1,789,055
Financial assets at fair value through profit or loss (note 26)	—	1,325,671	1,325,671
Due from related parties (note 42)	6,892,735	—	6,892,735
Restricted cash (note 27)	3,278,066	—	3,278,066
Pledged deposits (note 27)	989,627	—	989,627
Cash and cash equivalents (note 27)	9,932,056	—	9,932,056
	23,026,249	1,325,671	24,351,920

Financial Liabilities

	Financial liabilities at amortized cost
	RMB'000
Trade and bills payables (note 28)	6,083,752
Financial liabilities included in other payables and accruals (note 29)	3,349,383
Due to related parties (note 42)	2,883,813
Interest-bearing bank and other borrowings (note 31)	29,285,010
Lease liabilities (note 14)	36,649
Proceeds from asset-backed securities (note 32)	4,443,953
Corporate bonds (note 34)	9,438,838
	55,521,398

December 31, 2019

Financial Assets

	Financial assets at amortized cost	Financial assets at FVTPL	Total
	RMB'000	RMB'000	RMB'000
Trade receivables (note 22)	25,360	—	25,360
Financial assets included in prepayments and other receivables (note 24)	2,541,322	—	2,541,322
Financial assets at fair value through profit or loss (note 26)	—	315,690	315,690
Due from related parties (note 42)	7,815,085	—	7,815,085
Restricted cash (note 27)	3,762,566	—	3,762,566
Pledged deposits (note 27)	418,642	—	418,642
Cash and cash equivalents (note 27)	9,218,547	—	9,218,547
	23,781,522	315,690	24,097,212

Financial Liabilities

	Financial liabilities at amortized cost
	RMB'000
Trade and bills payables (note 28)	8,401,573
Financial liabilities included in other payables and accruals (note 29)	2,892,473
Due to related parties (note 42)	4,911,899
Interest-bearing bank and other borrowings (note 31)	33,445,565
Lease liabilities (note 14)	32,611
Proceeds from asset-backed securities (note 32)	4,582,640
Senior notes (note 33)	1,740,198
Corporate bonds (note 34)	9,302,662
	65,309,621

April 30, 2020

Financial assets

	Financial assets at amortized cost	Financial assets at FVTPL	Total
	RMB'000	RMB'000	RMB'000
Trade receivables (note 22)	22,858	—	22,858
Financial assets included in prepayments and other receivables (note 24)	2,601,026	—	2,601,026
Financial assets at fair value through profit or loss (note 26)	—	315,866	315,866
Due from related parties (note 42)	8,260,533	—	8,260,533
Restricted cash (note 27)	4,030,926	—	4,030,926
Pledged deposits (note 27)	303,419	—	303,419
Cash and cash equivalents (note 27)	8,407,534	—	8,407,534
	23,626,296	315,866	23,942,162

Financial liabilities

	Financial liabilities at amortized cost
	RMB'000
Trade and bills payables (note 28)	7,618,674
Financial liabilities included in other payables and accruals (note 29)	2,621,262
Due to related parties (note 42)	4,414,264
Interest-bearing bank and other borrowings (note 31)	35,854,172
Lease liabilities (note 14)	25,467
Proceeds from asset-backed securities (note 32)	3,753,859
Senior notes (note 33)	3,980,755
Corporate bonds (note 34)	8,997,265
	67,265,718

44. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS

The carrying amounts and fair values of the Group's financial instruments as at the end of each of the Relevant Periods, other than those with carrying amounts that reasonably approximate to fair values, are as follows:

	Carrying amounts				Fair values			
	December 31, 2017	December 31, 2018	December 31, 2019	April 30, 2020	December 31, 2017	December 31, 2018	December 31, 2019	April 30, 2020
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Financial assets								
Financial assets through profit or loss (note 26)	134,790	1,325,671	315,690	315,866	134,790	1,325,671	315,690	315,866
Financial liabilities								
Interest-bearing bank and other borrowings (note 31)	25,760,333	29,285,010	33,445,565	35,854,172	25,762,663	29,307,126	33,458,978	35,880,685
Proceeds from asset-backed securities (note 32)	520,215	4,443,953	4,582,640	3,753,859	508,922	4,620,165	4,750,003	4,036,975
Corporate bonds (note 34)	7,746,329	9,438,838	9,302,662	8,997,265	7,452,090	9,012,137	9,207,522	8,690,332
Senior notes (note 33)	—	—	1,740,198	3,980,755	—	—	1,744,050	3,804,659
	34,026,877	43,167,801	49,071,065	52,586,051	33,723,675	42,939,428	49,160,553	52,412,651

Management has assessed that the fair values of cash and cash equivalents, pledged deposits, restricted cash, trade receivables, trade and bills payables, financial assets included in prepayments, other receivables and other assets, amounts due from related parties, trade and bills payables, financial liabilities included in other payables and accruals, amounts due from/to subsidiaries, an amount due to the ultimate holding company, amounts due to related parties and guarantees given to banks in connection with facilities granted to related parties and third parties approximate to their carrying amounts largely due to the short term maturities of these instruments.

The Group's corporate finance team headed by the group financial controller is responsible for determining the policies and procedures for the fair value measurement of financial instruments. The corporate finance team reports directly to the group financial controller and the board of directors. At each reporting date, the corporate finance team analyzes the movements in the values of financial instruments and determines the major inputs applied in the valuation. The valuation is reviewed and approved by the group financial controller. The valuation process and results are discussed with the board of directors twice a year for annual financial reporting.

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

The Group invests in unlisted investments, which represent wealth management products issued by financial institutions in Mainland China. The Group has estimated the fair value of these unlisted investments by using a discounted cash flow valuation model based on the market interest rates of instruments with similar terms and risks.

The fair values of interest-bearing bank and other borrowings and certain proceeds from asset-backed securities have been calculated by discounting the expected future cash flows using rates currently available for instruments with similar terms, credit risk and remaining maturities. The Group's own non-performance risk for interest-bearing bank and other borrowings as at December 31, 2017, 2018 and 2019 and April 30, 2020 was assessed to be insignificant.

The fair values of certain proceeds from asset-backed securities, corporate bonds and senior notes are based on quoted market prices.

Fair Value Hierarchy

The following tables illustrate the fair value measurement hierarchy of the Group's financial instruments:

Assets Measured at Fair Value:

Financial Assets at FVTPL

	Fair value measurement using			
	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
	RMB'000	RMB'000	RMB'000	RMB'000
As at December 31, 2017	—	134,790	—	134,790
As at December 31, 2018	—	1,325,671	—	1,325,671
As at December 31, 2019	—	315,690	—	315,690
As at April 30, 2020	—	315,866	—	315,866

Liabilities for which Fair Values are Disclosed:

	Fair value measurement using			
	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Total
	RMB'000	RMB'000	RMB'000	RMB'000
As at December 31, 2017				
Interest-bearing bank and other borrowings	—	25,762,663	—	25,762,663
Proceeds from asset-backed securities	—	508,922	—	508,922
Corporate bonds	7,452,090	—	—	7,452,090
	7,452,090	26,271,585	—	33,723,675
As at December 31, 2018				
Interest-bearing bank and other borrowings	—	29,307,126	—	29,307,126
Proceeds from asset-backed securities	1,058,686	3,561,479	—	4,620,165
Corporate bonds	9,012,137	—	—	9,012,137
	10,070,823	32,868,605	—	42,939,428
As at December 31, 2019				
Interest-bearing bank and other borrowings	—	33,458,978	—	33,458,978
Proceeds from asset-backed securities	1,663,194	3,086,809	—	4,750,003
Corporate bonds	9,207,522	—	—	9,207,522
Senior notes	1,744,050	—	—	1,744,050
	12,614,766	36,545,787	—	49,160,553
As at April 30, 2020				
Interest-bearing bank and other borrowings	—	35,880,685	—	35,880,685
Proceeds from asset-backed securities	868,425	3,168,550	—	4,036,975
Corporate bonds	8,690,332	—	—	8,690,332
Senior notes	3,804,659	—	—	3,804,659
	13,363,416	39,049,235	—	52,412,651

During the Relevant Periods, there were no transfers of fair value measurements between Level 1 and Level 2 and no transfers into or out of Level 3 for both financial assets and liabilities.

45. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's principal financial instruments mainly include cash and bank equivalents, restricted cash, pledged deposits, trade receivables, other receivables, trade and bills payables and other payables, which arise directly from its operations. The Group has other financial assets and liabilities such as interest-bearing bank and other borrowings, senior notes, corporate bonds, lease liabilities, proceeds from asset-backed securities, and deferred tax liabilities. The main purpose of these financial instruments is to raise finance for the Group's operations.

The main risks arising from the Group's financial instruments are interest rate risk, foreign currency risk, credit risk, and liquidity risk. Generally, the Group introduces conservative strategies on its risk management. To keep the Group's exposure to these risks to a minimum, the Group has not used any derivatives and other instruments for hedging purposes. The Group does not hold or issue derivative financial instruments for trading purposes. The board of directors reviews and agrees policies for managing each of these risks and they are summarized below:

(a) Interest Rate Risk

The Group's exposure to risk for changes in market interest rates relates primarily to the Group's interest-bearing bank and other borrowings set out in note 31. The Group does not use derivative financial instruments to hedge interest rate risk. The Group manages its interest cost using variable rate bank borrowings and other borrowings.

If the interest rate of bank and other borrowings had increased/decreased by 1% and all other variables were held constant, the profit before tax of the Group, through the impact on floating rate borrowings, would have decreased/increased by approximately RMB16,383,000, RMB22,503,000, RMB22,682,000 and RMB10,373,888 for the years ended December 31, 2017, 2018 and 2019 and the four months ended April 30, 2020, respectively.

(b) Foreign Currency Risk

The Group has transactional currency exposures. Such exposures mainly arise from the Group's senior notes. The currency in which they are denominated is USD. There is no significant impact on foreign currency risk.

	Increase/ (decrease) in USD rate	**Increase/ (decrease) in profit before tax**	**Increase/ (decrease) in equity**
	%	**RMB'000**	**RMB'000**
December 31, 2017			
If the RMB weakens against USD	-5%	125	125
If the RMB strengthens against USD	+5%	(125)	(125)
December 31, 2018			
If the RMB weakens against USD	-5%	858	858
If the RMB strengthens against USD	+5%	(858)	(858)
December 31, 2019			
If the RMB weakens against USD	-5%	(68,613)	(68,613)
If the RMB strengthens against USD	+5%	68,613	68,613
April 30, 2020			
If the RMB weakens against USD	-5%	(190,535)	(190,535)
If the RMB strengthens against USD	+5%	190,535	190,535

(c) Credit Risk

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

Management makes periodic collective assessments for financial assets included in prepayments and other receivables and amounts due from related parties as well as individual assessments on the recoverability of other receivables and amounts due from related parties based on historical settlement records and past experience. The Group classified financial assets included in prepayments and other receivables and amounts due from related parties in Stage 1 and continuously monitored their credit risk. The directors of the Company believe that there is no material credit risk inherent in the Group's outstanding balance of financial assets included in prepayments and other receivables and amounts due from related parties.

Maximum Exposure and Year-End Staging

The tables below show the credit quality and the maximum exposure to credit risk based on the Group's credit policy, which is mainly based on past due information unless other information is available without undue cost or effort, and year-end staging classification as at December 31, 2017, 2018 and 2019 and April 30, 2020. The amounts presented are gross carrying amounts for financial assets and the exposure to credit risk for the financial guarantee contracts.

	12-month ECLs	Lifetime ECLs			
	Stage 1	Stage 2	Stage 3	Simplified approach	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
As at December 31, 2017					
Trade receivables*	—	—	—	103,607	103,607
Due from related parties	7,569,098	—	—	—	7,569,098
Financial assets included in prepayments and other receivables					
— Normal**	467,612	—	—	—	467,612
Financial assets at fair value through profit or loss	134,790	—	—	—	134,790
Restricted cash					
— Not yet past due	1,478,041	—	—	—	1,478,041
Pledged deposits					
— Not yet past due	1,069,969	—	—	—	1,069,969
Cash and cash equivalents					
— Not yet past due	3,555,333	—	—	—	3,555,333
	14,274,843	—	—	103,607	14,378,450

	12-month ECLs	Lifetime ECLs			
	Stage 1	Stage 2	Stage 3	Simplified approach	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
As at December 31, 2018					
Trade receivables*	—	—	—	144,710	144,710
Financial assets included in prepayments and other receivables					
— Normal**	1,789,055	—	—	—	1,789,055
Due from related parties	6,892,735	—	—	—	6,892,735
Financial assets at fair value through profit or loss	1,325,671	—	—	—	1,325,671
Restricted cash					
— Not yet past due	3,278,066	—	—	—	3,278,066
Pledged deposits					
— Not yet past due	989,627	—	—	—	989,627
Cash and cash equivalents					
— Not yet past due	9,932,056	—	—	—	9,932,056
	24,207,210	—	—	144,710	24,351,920
As at December 31, 2019					
Trade receivables*	—	—	—	25,360	25,360
Financial assets included in prepayments and other receivables					
— Normal**	2,541,322	—	—	—	2,541,322
Due from related parties	7,815,085	—	—	—	7,815,085
Financial assets at fair value through profit or loss	315,690	—	—	—	315,690
Restricted cash					
— Not yet past due	3,762,566	—	—	—	3,762,566
Pledged deposits					
— Not yet past due	418,642	—	—	—	418,642
Cash and cash equivalents					
— Not yet past due	9,218,547	—	—	—	9,218,547
	24,071,852	—	—	25,360	24,097,212
As at April 30, 2020					
Trade receivables*	—	—	—	22,858	22,858
Financial assets included in prepayments and other receivables					
— Normal**	2,601,026	—	—	—	2,601,026
Due from related parties	8,260,533	—	—	—	8,260,533
Financial assets at fair value through profit or loss	315,866	—	—	—	315,866
Restricted cash					
— Not yet past due	4,030,926	—	—	—	4,030,926
Pledged deposits					
— Not yet past due	303,419	—	—	—	303,419
Cash and cash equivalents					
— Not yet past due	8,407,534	—	—	—	8,407,534
	23,919,304	—	—	22,858	23,942,162

* For trade receivables to which the Group applies the simplified approach for impairment, information based on the expected credit losses is disclosed in note 22 to the Historical Financial Information. There is no significant concentration of credit risk.

** The credit quality of the financial assets included in prepayments and other receivables is considered to be "normal" when they are not past due and there is no information indicating that the financial assets had a significant increase in credit risk since initial recognition.

(d) Liquidity Risk

The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of interest-bearing bank and other borrowings. Cash flows are closely monitored on an ongoing basis.

The maturity profile of the Group's financial liabilities as at the end of each of the Relevant Periods, based on contractual undiscounted payments, is as follows:

	On demand	Less than 3 months	3 to 12 months	Over 1 year	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
December 31, 2017					
Trade and bills payables	4,452,124	—	—	—	4,452,124
Other payables	2,415,920	—	—	—	2,415,920
Due to related parties	3,062,905	—	—	—	3,062,905
Lease liabilities	—	3,873	11,305	24,900	40,078
Interest-bearing bank and other borrowings	—	5,597,762	4,464,235	18,358,463	28,420,460
Proceeds from asset-backed securities	—	7,281	108,842	521,304	637,427
Corporate bonds	—	134,000	4,256,900	3,978,000	8,368,900
	9,930,949	5,742,916	8,841,282	22,882,667	47,397,814
December 31, 2018					
Trade and bills payables	6,014,043	—	—	—	6,014,043
Other payables	3,739,786	—	—	—	3,739,786
Due to related parties	2,883,813	—	—	—	2,883,813
Lease liabilities	—	5,553	15,025	22,175	42,753
Interest-bearing bank and other borrowings	—	1,930,340	14,979,019	15,520,718	32,430,077
Proceeds from asset-backed securities	—	99,819	342,829	6,335,756	6,778,404
Corporate bonds	—	134,000	8,611,200	1,075,000	9,820,200
	12,637,642	2,169,712	23,948,073	22,953,649	61,709,076
December 31, 2019					
Trade and bills payables	8,423,085	—	—	—	8,423,085
Other payables	3,300,649	—	—	—	3,300,649
Due to related parties	4,900,333	—	—	—	4,900,333
Lease liabilities	—	7,481	16,041	16,119	39,641
Interest-bearing bank and other borrowings	—	2,111,120	13,858,555	21,259,178	37,228,853
Senior notes	—	—	204,926	1,948,976	2,153,902
Proceeds from asset-backed securities	—	112,798	1,295,073	2,628,619	4,036,490
Corporate bonds	—	138,492	4,497,550	5,668,637	10,304,679
	16,624,067	2,369,891	19,872,145	31,521,529	70,387,632
April 30, 2020					
Trade and bills payables	7,618,674	—	—	—	7,618,674
Other payables	2,621,262	—	—	—	2,621,262
Due to related parties	4,414,264	—	—	—	4,414,264
Lease liabilities	—	6,728	13,450	11,585	31,763
Interest-bearing bank and other borrowings	—	5,237,931	11,236,047	23,154,412	39,628,390
Senior notes	—	103,651	325,950	4,331,006	4,760,607
Proceeds from asset-backed securities	—	290,524	224,011	5,189,223	5,703,758
Corporate bonds	—	150,000	6,310,687	3,364,750	9,825,437
	14,654,200	5,788,834	18,110,145	36,050,976	74,604,155

(e) Capital Management

The primary Objectives of the Group's capital management are to safeguard the Group's ability to continue as a going concern and to maintain healthy capital ratios in order to support its business and maximize shareholders' value.

The Group manages its capital structure and makes adjustments to it in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares.

The Group monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Group includes, within net debt, trade and bills payables, other payables and accruals, amounts due to related parties, interest-bearing bank and other borrowings, senior notes, corporate bonds, proceeds from asset-backed securities and lease liabilities. Capital represents equity attributable to owners of the parent. The gearing ratios as at the end of each of the Relevant Periods were as follows:

	December 31,			April 30,
	2017	2018	2019	2020
	RMB'000	RMB'000	RMB'000	RMB'000
Trade and bills payables	4,404,560	6,083,752	8,401,573	7,618,674
Other payables and accruals	2,415,920	3,739,786	3,300,649	2,895,085
Due to related parties	3,062,905	2,883,813	4,911,899	4,414,264
Interest-bearing bank and other borrowings	25,760,333	29,285,010	33,445,565	35,854,172
Senior notes	—	—	1,740,198	3,980,755
Proceeds from asset-backed securities	520,215	4,443,953	4,582,640	3,753,859
Corporate bonds	7,746,329	9,438,838	9,302,662	8,997,265
Lease liabilities	34,239	36,649	32,611	25,467
Less: Cash and cash equivalents	(3,555,333)	(9,932,056)	(9,218,547)	(8,407,534)
Net debt	40,389,168	45,979,745	56,499,250	59,132,007
Equity attributable to owners of the parent	12,314,235	14,322,174	16,830,242	17,009,430
Capital and net debt	52,703,403	60,301,919	73,329,492	76,141,437
Gearing ratio	76.63%	76.25%	77.05%	77.66%

46. PARTLY-OWNED SUBSIDIARY WITH MATERIAL NON-CONTROLLING INTERESTS

Details of the Group's subsidiaries that have material non-controlling interests are set out below:

	Year ended December 31,			Four months ended April 30,
	2017	2018	2019	2020
	RMB'000	RMB'000	RMB'000	RMB'000
Percentage of equity interest held by non-controlling interests				
Rongqiao (FuZhou) Real Estate*	40%	40%	40%	40%
Radiance Group	4%	4%	4%	4%

* Rongqiao (FuZhou) Real Estate is a subsidiary of Radiance Group, and the financial information set out below only reflects the direct non-controlling interests in this entity, and the indirect non-controlling interests has not been included.

	Year ended December 31,			Four months ended April 30,
	2017	2018	2019	2020
	RMB'000	RMB'000	RMB'000	RMB'000
Profit for the year/period allocated to non-controlling interests:				
Rongqiao (FuZhou) Real Estate	121,034	259,132	138,809	(1,244)
Radiance Group	84,749	83,654	104,827	10,028
Accumulated balances of non-controlling interests:				
Rongqiao (FuZhou) Real Estate	783,009	1,042,141	1,180,950	1,179,706
Radiance Group	510,036	592,210	697,037	707,065

The following table illustrates the summarized financial information of the above subsidiaries. The amounts disclosed are before any inter-company eliminations:

For the Year Ended December 31, 2017

	Rongqiao (FuZhou) Real Estate	Radiance Group
	RMB'000	RMB'000
Revenue	1,350,239	11,776,599
Total expenses	(1,047,653)	(9,551,891)
Profit for the year	302,586	2,224,708
Total comprehensive income for the year	302,586	2,224,708
Attributable to:		
Owners of the parent	302,586	2,118,731
Non-controlling interests	—	105,977
	302,586	2,224,708
Current assets	7,095,058	71,230,723
Non-current assets	215,304	15,501,043
Current liabilities	(902,712)	(48,878,457)
Non-current liabilities	(4,450,126)	(23,283,094)
	1,957,524	14,570,215
Attributable to:		
Owners of the parent	1,957,524	12,750,888
Non-controlling interests	—	1,819,327
	1,957,524	14,570,215
Net cash flows used in operating activities	(3,707,323)	(6,949,215)
Net cash flows used in investing activities	(7,276)	(7,496,989)
Net cash flows generated from financing activities	4,085,085	13,183,151
Net increase/(decrease) in cash and cash equivalents	370,486	(1,263,053)

For the Year Ended December 31, 2018

	Rongqiao (FuZhou) Real Estate	Radiance Group
	RMB'000	RMB'000
Revenue	2,964,740	15,971,183
Total expenses	(2,316,910)	(13,671,866)
Profit for the year	647,830	2,299,317
Total comprehensive income for the year	647,830	2,299,317
Attributable to:		
Owners of the parent	647,830	2,091,360
Non-controlling interests	—	207,957
	647,830	2,299,317
Current assets	6,926,149	102,204,376
Non-current assets	210,303	18,379,811
Current liabilities	(2,088,539)	(80,478,915)
Non-current liabilities	(2,442,560)	(22,600,201)
	2,605,353	17,505,071
Attributable to:		
Owners of the parent	2,605,353	14,805,247
Non-controlling interests	—	2,699,824
	2,605,353	17,505,071
Net cash flows generated from operating activities	1,449,084	2,951,754
Net cash flows used in investing activities	(2,857)	(3,253,546)
Net cash flows (used in)/generated from financing activities	(1,752,379)	6,678,850
Net (decrease)/increase in cash and cash equivalents	(306,152)	6,377,058

For the Year Ended December 31, 2019

	Rongqiao (FuZhou) Real Estate	Radiance Group
	RMB'000	RMB'000
Revenue	1,985,082	25,963,108
Total expenses	(1,638,059)	(23,267,238)
Profit for the year	347,023	2,695,870
Total comprehensive income for the year	347,023	2,695,870
Attributable to:		
Owners of the parent	347,023	2,620,669
Non-controlling interests	—	75,201
	347,023	2,695,870
Current assets	5,860,849	129,624,403
Non-current assets	224,609	19,698,112
Current liabilities	(1,304,405)	(95,287,682)
Non-current liabilities	(1,828,677)	(32,676,867)
	2,952,376	21,357,966
Attributable to:		
Owners of the parent	2,952,376	17,425,916
Non-controlling interests	—	3,932,050
	2,952,376	21,357,966
Net cash flows generated from/(used in) operating activities	117,117	(7,899,463)
Net cash flows (used in)/generated from investing activities	(10)	389,930
Net cash flows (used in)/generated from financing activities	(33,633)	6,802,127
Net increase/(decrease) in cash and cash equivalents	83,474	(707,406)

April 30, 2020

	Rongqiao (FuZhou) Real Estate	Radiance Group
	RMB'000	RMB'000
Revenue	103,245	2,929,200
Total expenses	(106,356)	(2,685,345)
Profit for the year period	(3,111)	243,855
Total comprehensive income for the period	(3,111)	243,855
Attributable to:		
Owners of the parent	(3,111)	250,698
Non-controlling interests	—	(6,843)
	(3,111)	243,855
Current assets	5,986,992	136,981,100
Non-current assets	243,413	19,827,805
Current liabilities	(2,258,934)	(100,647,088)
Non-current liabilities	(1,022,206)	(34,461,996)
	2,949,265	21,699,821
Attributable to:		
Owners of the parent	2,949,265	17,676,615
Non-controlling interests	—	4,023,206
	2,949,265	21,699,821
Net cash flows generated from/(used in) operating activities	477,597	(2,347,588)
Net cash flows used in investing activities	(378)	(169,206)
Net cash flows (used in)/generated from financing activities	(448,466)	1,713,321
Net increase/(decrease) in cash and cash equivalents	28,753	(803,473)

47. SUBSEQUENT FINANCIAL STATEMENTS

No audited financial statements have been prepared by the Group or any of its subsidiaries in respect of any period subsequent to April 30, 2020.

48. EVENTS AFTER THE RELEVANT PERIODS

There has been an outbreak of COVID-19 around the world. The management of the Company believe that, based on the information available as of October 16, 2020, the outbreak of COVID-19 would not result in a material disruption to the Group's business operations or material impact on the financial position or financial performance of the Group. It is uncertain when and whether COVID-19 could be contained globally. The above analysis is made by the management of the Company based on the currently available information concerning COVID-19.

On June 17, 2020, Radiance Capital Investments issued 8.80% senior notes due in 2023 with a principal amount of US$250 million (the "2023 Notes"). Radiance Capital Investments is an indirect subsidiary of, and a special purpose vehicle set up for the financing purposes by Radiance Group.

On June 16, 2020, Radiance Group completed to issue five-year corporate bonds with a principal amount of RMB650,000,000 ("20 Jinhui 01"), which were publicly listed on the Shanghai Stock Exchange on June 23, 2020. 20 Jinhui 01 is denominated in RMB and bears interest at a rate of 6.95% per annum.

On July 29, 2020, Radiance Group completed to issue three-year corporate bonds with a principal amount of RMB500,000,000 ("20 Jinhui 02"), which were privately issued on the Shanghai Stock Exchange on August 4, 2020. 20 Jinhui 02 is denominated in RMB and bears interest at a rate of 7.00% per annum.

The following information does not form part of the Accountants' Report from Ernst & Young, Certified Public Accountants, Hong Kong, the Company's reporting accountants, as set out in Appendix I to this prospectus, and is included herein for information purposes only. The unaudited pro forma financial information should be read in conjunction with "Financial Information" and the Accountants' Report set out in Appendix I to this prospectus.

A. UNAUDITED PRO FORMA ADJUSTED CONSOLIDATED NET TANGIBLE ASSETS

The following unaudited pro forma adjusted consolidated net tangible assets attributable to the owners of the Company has been prepared in accordance with Rule 4.29 of the Hong Kong Listing Rules and with reference to Accounting Guideline 7 "Preparation of Pro Forma Financial Information for inclusion in Investment Circulars" issued by the HKICPA for illustration purposes only, and is set out here to illustrate the effect of the Global Offering on our consolidated net tangible assets attributable to the owners of the Company as of April 30, 2020 as if it had taken place on April 30, 2020.

The unaudited pro forma adjusted consolidated net tangible assets attributable to the owners of the Company has been prepared for illustrative purposes only and, because of its hypothetical nature, it may not give a true picture of the financial position of the Group had the Global Offering been completed as of April 30, 2020 or any future date. It is prepared based on our consolidated net tangible assets as of April 30, 2020 as set out in the Accountants' Report as set out in Appendix I to this prospectus and adjusted as described below. The unaudited pro forma adjusted consolidated net tangible assets attributable to the owners of the Company does not form part of the Accountants' Report as set out in Appendix I to this prospectus.

	Audited Consolidated net tangible assets attributable to owners of the Company as of April 30, 2020	Estimated net proceeds from the Global Offering	Unaudited pro forma adjusted consolidated net tangible assets	Unaudited pro forma adjusted consolidated net tangible assets per Share	Unaudited pro forma adjusted consolidated net tangible assets per Share
	RMB'000 (Note 1)	RMB'000 (Note 2)	RMB'000	RMB (Note 3)	(HK$) (Note 4)
Based on an Offer Price of HK$3.50 per Share	16,992,187	1,753,948	18,746,135	4.69	5.34
Based on an Offer Price of HK$4.50 per Share	16,992,187	2,265,322	19,257,509	4.81	5.47

Notes:

(1) The consolidated net tangible assets attributable to owners of the Company as of April 30, 2020 is extracted from the Accountants' Report, which is based on the audited consolidated equity attributable to owners of the Company as of April 30, 2020 of approximately RMB17,009.4 million less the Group's intangible assets as at April 30, 2020 of approximately RMB17.2 million.

(2) The estimated net proceeds from the Global Offering are based on the Offer Price of HK$3.50 per Share and HK$4.50 per Share after deduction of the underwriting fees and other related expenses payable by the Company and do not take into account of any Shares which may be issued upon the exercise the Over-allotment Option. The estimated net proceeds from the Global Offering are converted from Hong Kong dollars into Renminbi at an exchange rate of HK$1.0 to RMB0.8787.

(3) The unaudited pro forma adjusted consolidated net tangible assets per Share is calculated based on 4,000,000,000 Shares in issue immediately following the completion of the Global Offering and does not take into account any Shares which may be issued upon the exercise of the Over-allotment Option.

(4) The unaudited pro forma adjusted consolidated net tangible assets per Share is converted into Hong Kong dollars at an exchange rate of HK$1.0 to RMB0.8787.

(5) The unaudited pro forma adjusted consolidated net tangible assets per Share does not take into account the declared dividends of USD100 million subsequent to April 30, 2020, details of which are disclosed in the section headed "Summary- Dividend Policy" in this prospectus. Had such dividends been taken into account, the unaudited pro forma adjusted consolidated net tangible assets per Share would be approximately HK$5.14 (based on an offer Price of HK$3.50 per Share) and approximately HK$5.28 (based on an offer Price of HK$4.50 per Share). The converting rate from Hong Kong dollars to Renminbi is at a rate of HK$1.0 to RMB0.8787 and the converting rate from United States dollars to Renminbi is at a rate of USD1.0 to RMB6.8101.

INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON THE COMPILATION OF PRO FORMA FINANCIAL INFORMATION

安永

22/F, CITIC Tower
1 Tim Mei Avenue
Central, Hong Kong

To the Directors of Radiance Holdings (Group) Company Limited

We have completed our assurance engagement to report on the compilation of pro forma financial information of Radiance Holdings (Group) Company Limited (the "Company") and its subsidiaries (hereinafter collectively referred to as the "Group") by the directors of the Company (the "Directors") for illustrative purposes only. The pro forma financial information consists of the pro forma consolidated net tangible assets as at April 30, 2020, and related notes as set out on pages II-1 to II-2 of the prospectus dated October 16, 2020 issued by the Company (the "Pro Forma Financial Information"). The applicable criteria on the basis of which the Directors have compiled the Pro Forma Financial Information are described in Appendix II to the Prospectus.

The Pro Forma Financial Information has been compiled by the Directors to illustrate the impact of the global offering of shares of the Company on the Group's financial position as at April 30, 2020 as if the transaction had taken place at April 30, 2020. As part of this process, information about the Group's financial position has been extracted by the Directors from the Group's financial statements for the year ended April 30, 2020, on which an accountants' report has been published.

Directors' responsibility for the Pro Forma Financial Information

The Directors are responsible for compiling the Pro Forma Financial Information in accordance with paragraph 4.29 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") and with reference to Accounting Guideline ("AG") 7 *Preparation of Pro Forma Financial Information for Inclusion in Investment Circulars* issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA").

Our independence and quality control

We have complied with the independence and other ethical requirements of the *Code of Ethics for Professional Accountants* issued by the HKICPA, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

Our firm applies Hong Kong Standard on Quality Control 1 *Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance and Related Services Engagements*, and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Reporting accountants' responsibilities

Our responsibility is to express an opinion, as required by paragraph 4.29(7) of the Listing Rules, on the Pro Forma Financial Information and to report our opinion to you. We do not accept any responsibility for any reports previously given by us on any financial information used in the compilation of the Pro Forma Financial Information beyond that owed to those to whom those reports were addressed by us at the dates of their issue.

We conducted our engagement in accordance with Hong Kong Standard on Assurance Engagements 3420 *Assurance Engagements to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus* issued by the HKICPA. This standard requires that the reporting accountants plan and perform procedures to obtain reasonable assurance about whether the Directors have compiled the Pro Forma Financial Information in accordance with paragraph 4.29 of the Listing Rules and with reference to AG 7 issued by the HKICPA.

For purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the Pro Forma Financial Information, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the Pro Forma Financial Information.

The purpose of the Pro Forma Financial Information included in the Prospectus is solely to illustrate the impact of the global offering of shares of the Company on unadjusted financial information of the Group as if the transaction had been undertaken at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the transaction would have been as presented.

A reasonable assurance engagement to report on whether the Pro Forma Financial Information has been properly compiled on the basis of the applicable criteria involves performing procedures to assess whether the applicable criteria used by the Directors in the compilation of the Pro Forma Financial Information provide a reasonable basis for presenting the significant effects directly attributable to the transaction, and to obtain sufficient appropriate evidence about whether:

- the related pro forma adjustments give appropriate effect to those criteria; and
- the Pro Forma Financial Information reflects the proper application of those adjustments to the unadjusted financial information.

The procedures selected depend on the reporting accountants' judgment, having regard to the reporting accountants' understanding of the nature of the Group, the transaction in respect of which the Pro Forma Financial Information has been compiled, and other relevant engagement circumstances.

The engagement also involves evaluating the overall presentation of the Pro Forma Financial Information.

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

Opinion

In our opinion:

(a) the Pro Forma Financial Information has been properly compiled on the basis stated;

(b) such basis is consistent with the accounting policies of the Group; and

(c) the adjustments are appropriate for the purpose of the Pro Forma Financial Information as disclosed pursuant to paragraph 4.29(1) of the Listing Rules.

Yours faithfully,

Ernst & Young
Certified Public Accountants
Hong Kong
October 16, 2020

The following is the text of a letter and summary disclosure of values, prepared for the purpose of incorporation in this prospectus received from Jones Lang LaSalle Corporate Appraisal and Advisory Limited, an independent valuer, in connection with its valuation as at 31 July 2020 of the selected property interests held by the Group, the Joint Ventures and Associate.

JLL®
仲量聯行

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Company License No.: C-030171

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公司牌照號碼：C-030171

16 October 2020

The Board of Directors
Radiance Holdings (Group) Company Limited
Unit 6701-02, 67/F
The Center
99 Queen's Road Central
Central
Hong Kong

Dear Sirs,

In accordance with your instructions to value the selected property interests held by **Radiance Holdings (Group) Company Limited** (the "**Company**") and its subsidiaries (hereinafter together referred to as the "**Group**"), and 5 properties held by Company's Joint Ventures and Associate in the People's Republic of China (the "**PRC**"), we confirm that we have carried out inspections, made relevant enquiries and searches and obtained such further information as we consider necessary for the purpose of providing you with our opinion of the market values of the property interests as at 31 July 2020 (the "**valuation date**").

For the purpose of this report, we classified these properties as the property interests relating to "property activities" which mean holding (directly or indirectly) and/or development of properties for letting or retention as investments, or the purchase or development of properties for subsequent sale, or for subsequent letting or retention as investments.

Furthermore, we have adopted the below guidance on what constitutes a property interest:

(a) one or more units in the same building or complex;

(b) one or more properties located at the same address or lot number;

(c) one or more properties comprising an integrated facility;

(d) one or more properties, structures or facilities comprising a property development project (even if there are different phases);

(e) one or more properties held for investment within one complex;

(f) one or more properties, structures or facilities located contiguously to each other or located on adjoining lots and used for the same or similar operational/business purposes; or

(g) a project or phases of development presented to the public as one whole project or forming a single operating entity.

Our valuation is carried out on a market value basis. Market value is defined as "the estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's-length transaction after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion".

We have valued the property interests in Group I which are held for sale by the Group and Joint Ventures, the car parking spaces of property nos. 32, 34, 38 and property no. 33 in Group II and property interests in Group V which are held for future development by the Group by the comparison approach assuming sale of the property interests in their existing state with the benefit of immediate vacant possession and by making reference to comparable sales transactions as available in the market. This approach rests on the wide acceptance of the market transactions as the best indicator and presupposes that evidence of relevant transactions in the market place can be extrapolated to similar properties, subject to allowances for variable factors.

For the purpose of our valuation, real estate developments for sale are those the Construction Work Completion and Inspection Certificates/Tables or Building Ownership Certificates/Real Estate Title Certificates thereof are issued by the relevant local authorities or are in the process of application, this also includes those property interests which have been contracted to be sold, but the formal assignment procedures of which have not yet been completed; and real estate developments for future development are those the Construction Work Commencement Permits are not issued while the State-owned Land Use Rights Certificates/Real Estate Title Certificates (for land) have been obtained.

We have valued the property interests in Group II (except for the car parking spaces of property nos. 32, 34, 38 and property no. 33) which are held for investment by the Group and Group III which are held and occupied by the Group by the income approach by taking into account the net rental income of the properties derived from the existing leases and/or achievable in the existing market with due allowance for the reversionary income potential of the leases, which have been then capitalized to determine the market value at an appropriate capitalization rate. Where appropriate, reference has also been made to the comparable sales transactions as available in the relevant market.

In valuing property interests in Group IV which are held under development by the Group, Joint Ventures and Associate, we have assumed that they will be developed and completed in accordance with the latest development proposals provided to us by the Group. In arriving at our opinion of values, we have adopted the comparison approach by making reference to comparable sales evidence as available in the relevant market and have also taken into account the accrued construction cost and professional fees relevant to the stage of construction as at the valuation date and the remainder of the cost and fees expected to be incurred for completing the development. We have relied on the accrued construction cost and professional fees information provided by the Group according to the different stages of construction of the properties as at the valuation date, and we did not find any material inconsistency from those of other similar developments.

For the purpose of our valuation, properties under development are those for which the Construction Works Commencement Permit(s) has (have) been issued while the Construction Work Completion and Inspection Certificate(s)/Table(s) of the building(s) have not been issued.

For the property interests in Group VI which are contracted to be acquired by the Group, the Group has entered into agreements with the relevant government authorities. Since the Group has not yet obtained the State-owned Land Use Rights Certificates/Real Estate Title Certificates and/or the payment of the land premium has not yet been fully settled as at the valuation date, we have attributed no commercial value to the property interests.

Our valuation has been made on the assumption that the seller sells the property interests in the market without the benefit of a deferred term contract, leaseback, joint venture, management agreement or any similar arrangement, which could serve to affect the values of the property interests.

No allowance has been made in our report for any charge, mortgage or amount owing on any of the property interest valued nor for any expense or taxation which may be incurred in effecting a sale. Unless otherwise stated, it is assumed that the properties are free from encumbrances, restrictions and outgoings of an onerous nature, which could affect their values.

In valuing the property interest, we have complied with all requirements contained in Chapter 5 and Practice Note 12 of the Rules Governing the Listing of Securities issued by the Stock Exchange of Hong Kong Limited; the RICS Valuation — Global Standards published by the Royal Institution of Chartered Surveyors; the HKIS Valuation Standards published by the Hong Kong Institute of Surveyors, and the International Valuation Standards issued by the International Valuation Standards Council.

We have relied to a very considerable extent on the information given by the Group, Joint Ventures and Associate and have accepted advice given to us on such matters as tenure, planning approvals, statutory notices, easements, particulars of occupancy, lettings, and all other relevant matters.

We have been shown copies of title documents including State-owned Land Use Rights Certificates, Building Ownership Certificates, Real Estate Title Certificates and other official plans relating to the property interests and have made relevant enquiries. Where possible, we have examined the original documents to verify the existing title to the property interests in the PRC and any material encumbrance that might be attached to the property interests or any tenancy amendment. We have relied considerably on the advice given by the Company's PRC Legal Advisor — Jingtian & Gongcheng, concerning the validity of the property interests in the PRC.

We have had no reason to doubt the truth and accuracy of the information provided to us. We have also sought confirmation from the Group, Joint Ventures and Associate that no material factors have been omitted from the information supplied. We consider that we have been provided with sufficient information to arrive an informed view, and we have no reason to suspect that any material information has been withheld.

We have not carried out detailed measurements to verify the correctness of the areas in respect of the properties but have assumed that the areas shown on the title documents and official site plans handed to us are correct. All documents and contracts have been used as reference only and all dimensions, measurements and areas are approximations. No on-site measurement has been taken.

We have inspected the exterior and, where possible, the interior of the properties. However, we have not carried out investigation to determine the suitability of the ground conditions and services for any development thereon. Our valuation has been prepared on the assumption that these aspects are satisfactory. Moreover, no structural survey has been made, but in the course of our inspection, we did not note any serious defect. We are not, however, able to report whether the properties are free of rot, infestation or any other structural defect. No tests were carried out on any of the services.

Inspection of the properties was carried out in the period between November 2019 and January 2020, and in September 2020 by about 12 technical staffs including Ms. Echo Li, Ms. Gloria Wang, Mr. Elvin Zhang, Ms. Queenie Lu, Ms. Joey Fei and Ms. Silvia Ma, etc. They have more than 2 years' experience in the valuation of properties in the PRC. Among them, Ms. Echo Li is a member of RICS and a China Certified Real Estate Appraiser, Ms. Gloria Wang is a China Certified Real Estate Appraiser and Ms. Queenie Lu is a China Land Valuer and China Certified Real Estate Appraiser.

The properties in our valuation comprise 117 projects of the Group of which the total book value was more than 90% of the total book value of the Group as at the valuation date. The properties also comprise 5 selected properties (included in 3 projects) from the Company's Joint Ventures and Associates. The total 120 projects are located in 5 economic regions of the PRC and their values as at the valuation date are summarized as follows:

Number of Projects	**Economic Region**	**Market value in existing state as at the valuation date** *(RMB)*	**Market value attributable to the Group as at the valuation date** *(RMB)*	**Market value for reference (for properties without proper title certificates)* as at the valuation date** *(RMB)*
24	Yangtze River Delta Economic Region (長江三角洲經濟區)	26,111,300,000	21,211,500,000	6,578,700,000
31	Bohai Economic Rim (環渤海經濟區)	28,572,400,000	26,759,900,000	712,100,000
21	Southern China Economic Region (華南經濟區)	24,727,200,000	18,806,200,000	2,691,100,000
29	Southwestern China Economic Region (西南經濟區)	41,602,300,000	31,442,400,000	1,689,600,000
15	Northwestern China Economic Region (西北經濟區)	29,781,500,000	28,590,200,000	1,778,400,000
120		**150,794,700,000**	**126,810,200,000**	**13,449,900,000**

* We have attributed no commercial value to the land parcels contracted to be acquired by the Group, a building and the car parking spaces which have no proper title certificates. However, we have provided our opinion of market values for reference by assuming their title certificates have been obtained and they can be freely transferred by the Group. As advised by the Group, they are in the process of applying for title certificates of these land parcels and there is no legal impediment for them in obtaining the relevant title certificates.

In accordance with the requirements in rule 5.02B of Chapter 5 of the Rules Governing the Listing of Securities issued by The Stock Exchange of Hong Kong Limited, as the value of each property as at the valuation date was less than 5% of the total value of the property interests, we present the property information and valuation in the format of summary disclosure.

We are instructed to provide our opinion of value as per the valuation date only. It is based on economic, market and other conditions as they exist on, and information made available to us as of, the valuation date and we assume no obligation to update or otherwise revise these materials for events in the time since then. In particular, the outbreak of the Novel Coronavirus (COVID-19) since declared Global Pandemic on 11 March 2020 has caused much disruption to economic activities around the world. As of the report date, China's economy is experiencing gradual recovery and it is anticipated that disruption to business activities will steadily reduce. We also note that market activity and market sentiment in these particular market sectors remains stable. However, we remain cautious due to uncertainty for the pace of global economic recovery in the midst of the outbreak which may have future impact on the real estate market. Therefore, we recommend that you keep the valuation of the properties under frequent review.

Unless otherwise stated, all monetary figures stated in this report are in Renminbi (RMB).

Our summary disclosure of values is attached below for your attention.

Yours faithfully,
For and on behalf of
Jones Lang LaSalle Corporate Appraisal and Advisory Limited
Eddie T. W. Yiu
MRICS MHKIS RPS (GP)
Senior Director

Note: Eddie T.W. Yiu is a Chartered Surveyor who has 26 years' experience in the valuation of properties in Hong Kong and the PRC as well as relevant experience in the Asia-Pacific region.

SUMMARY DISCLOSURE OF PROPERTY VALUATION

Abbreviation:

GFA: Gross Floor Area
R: Residential
C: Commercial
O: Office
H: Hotel
S: Storage
CPS: Car Parking Space
‘‘—’’: Not Applicable or Not Available

Group I — Properties held for sale by the Group and Joint Ventures in the PRC
Group II — Properties held for investment by the Group in the PRC
Group III — Properties held and occupied by the Group in the PRC
Group IV — Properties held under development by the Group, Joint Ventures and Associate in the PRC
Group V — Properties held for future development by the Group in the PRC
Group VI — Properties contracted to be acquired by the Group in the PRC

*: In this Summary Disclosure of Property Valuation, the values have been rounded to hundred thousand.

Group I — Properties held for sale by the Group and Joint Ventures in the PRC

Property No.	Name of Property	Province/ Municipality	Use	Total GFA	Total Leasable/ Saleable GFA (excluding CPS)	Number of Saleable CPS	Land Use Rights Expiry Date	Completion Date	Total Saleable GFA Pre-Sold	Market Value in existing state as at the valuation date	Interest Attributable to the Group	Market Value Attributable to the Group as at the valuation date*	Market Value for reference (for properties without proper title certificates) as at the valuation date*
				(sq.m.)	*(sq.m.)*				*(sq.m.)*	*(RMB)*	*(%)*	*(RMB)*	*(RMB)*
1	The unsold portion of Project Suzhou Sea Breeze Garden	Jiangsu	R, C, CPS	44,993.96	33,088.35	251	18 November 2057 for commercial use, 18 November 2087 for residential use	March 2020	3,742.13	388,600,000	96%	373,100,000	3,600,000
2	The unsold portion of Project Suzhou Qianwan Commercial Center	Jiangsu	C	14,354.75	14,555.95	—	14 July 2054 for commercial use	June 2019	14,555.95	205,400,000	96%	197,200,000	—
3	The unsold portion of Project Shanghai Jinhui Tiancui Garden	Shanghai	R, CPS	21,883.17	7,269.37	203	27 January 2086 for residential use	August 2019	8,209.48	606,300,000	96%	582,000,000	78,300,000
4	The unsold portion of Project Shanghai Jingang Commercial Plaza	Shanghai	C	15,862.22	3,841.13	—	17 December 2049 for commercial use	April 2017	—	47,500,000	96%	45,600,000	36,100,000
5	The unsold portion of Project Tianjin Hu'an Garden	Tianjin	R, C	9,097.15	2,340.43	—	13 April 2079 for residential use	April 2020	209.62	29,500,000	96%	28,300,000	18,600,000
6	The unsold portion of Project Shijiazhuang New Block (Pinyuan)	Hebei	R, S	13,084.76	1,801.44	—	13 August 2087 for residential use	May 2020	630.26	12,500,000	33%	4,100,000	88,600,000

Property No.	Name of Property	Province/ Municipality	Use	Total GFA	Total Leasable/ Saleable GFA (excluding CPS)	Number of Saleable CPS	Land Use Rights Expiry Date	Completion Date	Total Saleable GFA Pre-Sold	Market Value in existing state as at the valuation date	Interest Attributable to the Group	Market Value Attributable to the Group as at the valuation date*	Market Value for reference (for properties without proper title certificates) as at the valuation date*
				(sq.m.)	*(sq.m.)*				*(sq.m.)*	*(RMB)*	*(%)*	*(RMB)*	*(RMB)*
7	The unsold portion of Project Yancheng Jinhui City Block D	Jiangsu	S	254.80	254.80	—	8 November 2081 for residential use	May 2020	—	500,000	96%	500,000	—
8	The unsold portion of Project Huai'an Jinhui Swan Bay	Jiangsu	C	15,024.88	1,070.70	—	10 November 2052 for commercial use, 10 November 2082 for residential use	March 2020	1,070.70	10,000,000	96%	9,600,000	20,700,000
9	The unsold portion of Project Huai'an Jinhui Four Seasons Community	Jiangsu	C, S	22,025.72	1,348.91	—	8 May 2051 and 16 May 2051 for commercial use, 8 May 2081 and 16 May 2081 for residential use	September 2019	913.64	7,700,000	96%	7,400,000	37,900,000
10	The unsold portion of Project Lianyungang Jinhui Four Seasons	Jiangsu	CPS	73,921.26	3,602.50	841	26 March 2084 for residential use	April 2019	—	119,500,000	96%	114,700,000	215,800,000
11	The unsold portion Phases I, II, III & V of Project Fuzhou Huai'an	Fujian	R, C, CPS	297,833.03	113,796.15	5,270	22 July 2040 for commercial use, 22 July 2070 for residential and public service facilities uses, 18 September 2082 for residential use	May 2020	96,139.52	3,968,100,000	58%	2,285,600,000	—

Property No.	Name of Property	Province/ Municipality	Use	Total GFA	Total Leasable/ Saleable GFA (excluding CPS)	Number of Saleable CPS	Land Use Rights Expiry Date	Completion Date	Total Saleable GFA Pre-Sold	Market Value in existing state as at the valuation date	Interest Attributable to the Group	Market Value Attributable to the Group as at the valuation date*	Market Value for reference (for properties without proper title certificates) as at the valuation date*
				(sq.m.)	*(sq.m.)*				*(sq.m.)*	*(RMB)*	*(%)*	*(RMB)*	*(RMB)*
12	The unsold portion of Project Foshan New Block Avenue	Guangdong	R, C, CPS	44,604.61	30,580.43	437	16 April 2057 for commercial use, 16 April 2087 for residential use	June 2019	32,872.06	619,500,000	96%	594,700,000	—
13	The unsold portion of Project Foshan New Block Academy	Guangdong	R	68,621.92	56,112.76	—	26 October 2057 for commercial use, 26 October 2087 for residential use	June 2020	48,517.07	429,200,000	48%	206,000,000	40,000,000
14	The unsold portion of Project Huizhou Dongdi Huayuan	Guangdong	R, C, CPS	87,700.57	65,325.67	567	15 January 2057 for commercial use, 15 January 2087 for residential use	July 2020	64,712.33	846,500,000	96%	812,600,000	8,800,000
15	The unsold portion of Project Chongqing Zhongyang King's Garden	Chongqing	R, C, CPS	110,132.06	36,325.92	2,150	30 June 2057 for commercial use, 30 June 2067 for residential use	November 2019	26,469.84	708,700,000	96%	680,400,000	—
16	The unsold portion of Project Chongqing Yujiang House	Chongqing	R, C, CPS	119,954.57	23,717.84	3,041	24 April 2041 for commercial use, 24 April 2051 for residential use	November 2019	6,246.35	838,200,000	96%	804,700,000	—
17	The unsold portion of Project Chongqing Boshe	Chongqing	R, C, CPS	34,582.82	10,169.44	659	24 April 2041 for commercial use, 24 April 2051 for residential use	May 2020	235.52	267,200,000	96%	256,500,000	—
18	The unsold portion of Project Chongqing Jinhui City Phase IV	Chongqing	R, C, CPS	5,841.90	2,572.21	84	24 April 2041 for commercial use, 24 April 2051 for residential use	April 2018	—	60,000,000	96%	57,600,000	—

Property No.	Name of Property	Province/ Municipality	Use	Total GFA	Total Leasable/ Saleable GFA (excluding CPS)	Number of Saleable CPS	Land Use Rights Expiry Date	Completion Date	Total Saleable GFA Pre-Sold	Market Value in existing state as at the valuation date	Interest Attributable to the Group	Market Value Attributable to the Group as at the valuation date*	Market Value for reference (for properties without proper title certificates) as at the valuation date*
				(sq.m.)	*(sq.m.)*				*(sq.m.)*	*(RMB)*	*(%)*	*(RMB)*	*(RMB)*
19	The unsold portion of Project Wuhan New Block Lakeside	Hubei	R, C	102,998.21	102,998.21	—	18 March 2088 for residential use	December 2019	96,201.88	1,049,600,000	96%	1,007,600,000	—
20	The unsold portion of Phase I of Project Changsha Hongtao Jade Bay	Hunan	R	4,625.07	1,630.38	—	17 March 2045 for commercial use, 17 March 2075 for residential use	July 2018	441.79	16,300,000	96%	15,600,000	6,400,000
21	The unsold portion of Project Changsha Jinhui Weichu Garden	Hunan	R	5,643.28	5,643.28	—	3 January 2087 and 31 October 2088 for residential use	May 2020	2,158.99	62,000,000	96%	59,500,000	—
22	The unsold portion of Project Hefei Xizi Garden	Anhui	R	22,946.89	—	912	13 April 2087 for residential use	December 2019	511.70	62,500,000	22%	13,800,000	—
23	The unsold portion of Project Xi'an Jinhui World City Upper East Side	Shaanxi	C, CPS	34,879.66	1,611.02	1,189	2 March 2054 for commercial use, 2 March 2084 for residential use	May 2020	10,850.63	205,300,000	96%	197,100,000	—
24	The unsold portion of Project Xi'an Jinhui World City	Shaanxi	R, C, CPS	109,849.15	12,772.96	3,263	28 August 2051 for commercial use, 28 August 2081 for residential use	December 2019	6,745.76	1,028,100,000	96%	987,000,000	—

Property No.	Name of Property	Province/ Municipality	Use	Total GFA	Total Leasable/ Saleable GFA (excluding CPS)	Number of Saleable CPS	Land Use Rights Expiry Date	Completion Date	Total Saleable GFA Pre-Sold	Market Value in existing state as at the valuation date	Interest Attributable to the Group	Market Value Attributable to the Group as at the valuation date*	Market Value for reference (for properties without proper title certificates) as at the valuation date*
				(sq.m.)	*(sq.m.)*				*(sq.m.)*	*(RMB)*	*(%)*	*(RMB)*	*(RMB)*
25	The unsold portion of Project Xi'an Jinhui Global Plaza	Shaanxi	O, C	39,596.24	14,697.79	—	27 August 2053 for commercial use	April 2020	4,916.53	316,600,000	96%	303,900,000	76,400,000
26	The unsold portion of Project Chongqing Jinke Jinhui Meiyuan	Chongqing	R, C, CPS	225,944.31	127,654.80	3,096	30 June 2057 for commercial use, 30 June 2067 for residential use	May 2020	127,772.69	1,607,400,000	47%	755,500,000	—
27	The unsold portion of Project Chongqing Jinke Jinhui Bocui Mountain	Chongqing	C, CPS	55,539.49	1,052.32	1,629	17 March 2057 for commercial use, 17 March 2067 for residential use	November 2019	32.78	197,700,000	47%	92,900,000	—

Notes:

1. As advised by the Group, portions of the properties with a total gross floor area of approximately 554,157.22 sq.m. have been pre-sold to various third parties at a total consideration of RMB7,442,469,833. Such portions of the properties have not been legally and virtually transferred and therefore we have included the units in our valuation. In arriving at our opinion on the market values of the properties, we have taken into account the contracted prices of such portions.

2. For portions of car parking spaces of property nos. 1, 3 to 6, 8 to 10, 13, 14, 20 and 25 of which the proper title certificates could not been obtained, we have attributed no commercial value to these car parking spaces. However, for reference purpose, we are of the opinion that the market value of such car parking spaces as at the valuation date would be RMB631,200,000.

3. Property nos. 26 and 27 are held by the Company's Joint Ventures.

4. We have been provided with a legal opinion regarding the property interests by the Company's PRC Legal Advisor, which contains, inter alia, the following:

   a. the Group is legally and validly in possession of the land use rights with respect to the properties. The Group has the rights to occupy, use, transfer, lease, mortgage and dispose of the land use rights of the properties subject to compliance with the terms of the relevant mortgage contracts (if any);

b. the Group has obtained necessary requisite construction work approvals in respect of the actual development progress;

c. the Group has the rights to legally pre-sell the properties according to the obtained Pre-sale Permits; and

d. the Group has legally obtained the building ownership rights of property nos. 3, 4, 18 and portions of property nos. 2, 11, 16 and 17 in accordance with relevant Real Estate Title Certificates. The Group has the rights to legally use, transfer, lease and mortgage such properties subject to compliance with the terms of the relevant mortgage contracts (if any).

Group II — Properties held for investment by the Group in the PRC

Property No.	Name of Property	Province/ Municipality	Site Area (sq.m.)	Use	Total GFA (sq.m.)	Total Leasable/ Saleable GFA (excluding CPS) (sq.m.)	Number of CPS	Land Use Rights Expiry Date	Actual / Estimated Completion Date	Market Value in existing state as at the valuation date (RMB)	Interest Attributable to the Group (%)	Market Value Attributable to the Group as at the valuation date* (RMB)	Market Value for reference (for properties without proper title certificates) as at the valuation date* (RMB)
28	Various commercial units of Building nos. 1, 3, 4 and 532 car parking spaces of Project Suzhou Qianwan Commercial Center	Jiangsu	5,194.67	C	36,464.14	16,870.21	532	14 July 2054 for commercial use	June 2019	170,200,000	96%	163,400,000	25,700,000
29	Building no. 7 of Project Shanghai Jingang Commercial Plaza	Shanghai	—	C, CPS	30,621.70	25,509.80	170	17 December 2049 for commercial use	April 2017	366,600,000	96%	351,900,000	13,900,000
30	Various office/retail units and various car parking spaces of Beijing Radiance Plaza	Beijing	—	O, C, CPS	102,974.99	84,943.87	640	18 May 2051 for commercial use, 18 May 2061 for office and car parking space uses	December 2016	4,888,100,000	96%	4,692,600,000	—
31	4th to 18th floors of Fuzhou Jinhui Mansion	Fujian	1,141.04	C	16,759.80	18,641.19	—	Not stated	December 1999	245,300,000	96%	235,500,000	—
32	Portions of Chongqing Jinhui City Phase IV (Bronze Road)	Chongqing	22,662.00	C, CPS	72,854.25	51,434.14	535	24 April 2041 for wholesale and retail uses	April 2018	706,700,000	96%	678,400,000	—
33	Portions of Project Chongqing Jinhui City Phase V	Chongqing	—	O	69,529.51	69,529.51	—	24 April 2041 for commercial use, 24 April 2051 for residential use	May 2023	648,400,000	96%	622,500,000	—
34	Chongqing Jinhui Plaza (excluding 25th to 26th floors of no. 1 Building)	Chongqing	—	O, C, CPS	120,845.79	82,247.26	789	24 April 2041 for business and finance, wholesale and retail, accommodation and catering and other commercial uses	March 2015	1,143,600,000	96%	1,097,900,000	—
35	A commercial building of Project Xi'an Jinhui World City	Shaanxi	—	C, CPS	15,074.00	11,222.50	42	31 August 2051 for commercial use	January 2020	149,800,000	96%	143,800,000	—
36	A shopping mall of Project Xi'an Jinhui Global Plaza	Shaanxi	—	C, CPS	124,336.36	56,972.60	1,684	27 August 2053 for commercial use	May 2018	992,000,000	96%	952,300,000	—
37	4th -26th floors of Block B of Project Xi'an Jinhui Global Plaza	Shaanxi	—	O, C	27,905.15	27,905.15	—	27 August 2053 for commercial use	January 2016	420,300,000	96%	403,500,000	—
38	Various office/retail units and 329 car parking spaces of Xi'an Jinhui Building (International Plaza)	Shaanxi	15,907.92	O, C, CPS	48,685.33	31,993.81	329	27 October 2047 for business and financial uses	August 2015	477,400,000	96%	458,300,000	5,900,000
39	Xi'an Chuangzhi Building	Shaanxi	6,035.40	O, C, CPS	20,496.73	16,895.72	55	27 October 2057 for educational and scientific uses	March 2019	174,700,000	96%	167,700,000	1,700,000

Notes:

1. As advised by the Group, portions of the properties with a total leasable area of approximately 279,052.79 sq.m. have been leased to various tenants with the expiry dates between 30 September 2020 and 1 October 2038, and the total monthly rent as at the valuation date is approximately RMB35,400,000, exclusive of management fees, water and electricity charges.

2. For portions of car parking spaces of property nos. 28, 29, 38 and 39 of which the proper title certificates could not been obtained, we have attributed no commercial value to these car parking spaces. However, for reference purpose, we are of the opinion that the market value of such car parking spaces as at the valuation date would be RMB47,200,000.

3. We have been provided with a legal opinion regarding the property interests by the Company's PRC Legal Advisor, which contains, inter alia, the following:

   a. the Group has legally obtained the building ownership rights of the properties (excluding property no. 36) in accordance with relevant Real Estate Title Certificates. The Group has the rights to legally use, transfer, lease and mortgage such properties;

   b. for property no. 36, the Group has obtained necessary requisite construction work approvals in respect of the current development progress;

   c. for property nos. 31, 34 and 36, the Group has the rights to legally occupy, use, transfer, lease, mortgage and dispose of the mortgaged portions of the properties subject to compliance with the terms of the relevant mortgage contracts;

   d. for property nos. 35, 37 and 38, the Group is legally and validly in possession of the land use rights with respect to the properties. The Group has the rights to occupy, use, transfer, lease, mortgage and dispose of the land use rights of the properties; and

   e. for property no. 33, the Group has the rights to legally occupy, use, transfer, lease, mortgage and dispose of the mortgaged portions of land use rights of the property subject to compliance with the terms of the relevant mortgage contracts.

4. As advised by the Group, they are in the process of applying for Real Estate Title Certificates of property no. 36 and there is no legal impediment for them in obtaining the relevant title certificates.

Group III — Properties held and occupied by the Group in the PRC

Property No.	Name of Property	Province/ Municipality	Use	Total GFA *(sq.m.)*	Land Use Rights Expiry Date	Completion Date	Market Value in existing state as at the valuation date *(RMB)*	Interest Attributable to the Group *(%)*	Market Value Attributable to the Group as at the valuation date* *(RMB)*	Market Value for reference (for properties without proper title certificates) as at the valuation date* *(RMB)*
40	Various office units of Beijing Radiance Plaza	Beijing	O	3,236.49	18 May 2051 for commercial use, 18 May 2061 for office and car parking space uses	December 2016	204,500,000	96%	196,300,000	—
41	Building No. 47 of Project Huai'an Jinhui City Phase II	Jiangsu	C	3,017.77	15 September 2051 for commercial use	September 2013	—	96%	—	21,600,000
42	A commercial center of Project Lianyungang Jinhui Four Seasons	Jiangsu	C	3,755.39	2 March 2051 for commercial use	January 2015	19,500,000	96%	18,700,000	—
43	25th to 26th floors of Building no. 1 of Chongqing Jinhui Plaza	Chongqing	O	2,954.99	24 April 2041 for business and finance, wholesale and retail, accommodation and catering and other commercial uses	March 2015	27,300,000	96%	26,200,000	—
44	Various office units of Phase I of Project Xi'an Jinhui Global Plaza	Shaanxi	O	2,596.24	27 August 2053 for commercial use	February 2017	42,200,000	96%	40,500,000	—

Notes:

1. For property no. 41, we have not been provided with any Building Ownership Certificate or Real Estate Title Certificate. Therefore, we have attributed no commercial value to this property. However, for reference purpose, we are of the opinion that the market value of such property as at the valuation date would be RMB21,600,000.

2. We have been provided with a legal opinion regarding the property interests by the Company's PRC Legal Advisor, which contains, inter alia, the following:

   a. the Group has legally obtained the building ownership rights of the properties in accordance with relevant Real Estate Title Certificates (excluding property no. 41). The Group has the rights to legally use, transfer, lease and mortgage such properties subject to compliance with the terms of the relevant mortgage contracts (if any); and

   b. for property nos. 41, 42 and 44, the Group is legally and validly in possession of the land use rights with respect to the properties. The Group has the rights to occupy, use, transfer, lease, mortgage and dispose of the land use rights of the properties subject to compliance with the terms of the relevant mortgage contracts.

Group IV — Properties held under development by the Group, Joint Ventures and Associate in the PRC

Property No.	Name of Property	Province/ Municipality	Site Area (sq.m.)	Use	Total GFA (sq.m.)	Total Leasable/ Saleable GFA (excluding CPS) (sq.m.)	Planned Number of CPS	Land Use Rights Expiry Date	Construction Commencement Date	Estimated Completion Date	Estimated/ Actual Pre-Sale Commencement Date	Total Saleable GFA Pre-Sold (sq.m.)	Total Estimated Development Cost (RMB)	Development Cost incurred up to the valuation date (RMB)	Gross Development Value (RMB)	Market Value in existing state as at the valuation date (RMB)	Interest Attributable to the Group (%)	Market Value Attributable to the Group as at the valuation date* (RMB)	Market Value for reference (for properties without proper title certificates) as at the valuation date* (RMB)
45	Project Hangzhou Jiushang Elite's Mansion	Zhejiang	64,505.40	R	206,377.37	139,981.90	1,593	2 July 2058 for commercial use, 2 July 2088 for residential use	August 2018	October 2020	November 2018	139,859.08	3,340,200,000	3,132,900,000	3,794,900,000	3,438,600,000	96%	3,301,100,000	—
46	Project Hangzhou Ziya Elite's Mansion	Zhejiang	11,349.00	R	48,995.48	21,890.68	344	20 May 2058 for public service facilities use, 20 May 2088 for residential use	May 2018	November 2020	April 2020	21,890.68	913,300,000	819,500,000	997,500,000	874,600,000	96%	839,600,000	—
47	Project Ningbo Shanghe Cloud Atrium	Zhejiang	26,477.00	R	71,471.76	51,466.05	499	12 May 2090 for residential use	July 2020	April 2022	October 2020	—	781,600,000	491,800,000	951,500,000	541,700,000	96%	520,000,000	—
48	Project Shaoxing New Block Guanlan Garden	Zhejiang	70,150.00	R, C, CPS	206,910.25	144,844.08	1,299	18 September 2089 for residential use	October 2019	June 2022	December 2019	138,920.01	1,869,800,000	1,274,700,000	2,483,600,000	1,548,000,000	96%	1,486,100,000	—
49	Project Shaoxing Mirror Lake	Zhejiang	48,883.00	R, C, CPS	154,387.72	109,452.26	1,155	3 February 2090 for residential use	March 2020	June 2022	June 2020	15,448.74	1,751,700,000	1,163,900,000	2,257,300,000	1,328,800,000	96%	1,275,600,000	—
50	Project Shaoxing Peninsula Elite's Mansion	Zhejiang	57,811.80	R, CPS	123,163.83	78,160.47	607	18 May 2090 for residential use	July 2020	May 2022	October 2020	—	1,562,700,000	1,010,200,000	1,982,900,000	1,116,400,000	96%	1,071,700,000	—
51	Project Jurong Jinhui Four Seasons Guanlan	Jiangsu	37,422.00	R, C, H	149,637.83	117,044.13	936	1 May 2087 for residential use	January 2020	February 2024	April 2020	2,427.40	1,388,800,000	840,200,000	1,658,700,000	989,300,000	96%	949,700,000	—
52	Project Suzhou New Block Four Seasons Garden	Jiangsu	54,035.70	R	111,942.42	79,139.74	803	17 November 2089 for residential use	December 2019	January 2022	May 2020	32,538.04	1,284,100,000	916,600,000	1,691,600,000	1,080,400,000	96%	1,037,200,000	—
53	Project Suzhou Runyuan Mansion Yayuan	Jiangsu	43,611.00	R	103,604.91	69,137.29	875	31 March 2089 for residential use	April 2019	June 2021	July 2019	69,019.20	1,706,300,000	1,472,000,000	2,063,000,000	1,826,000,000	67%	1,227,100,000	—

Property No.	Name of Property	Province/ Municipality	Site Area (sq.m.)	Use	Total GFA (sq.m.)	Total Leasable/ Saleable GFA (excluding CPS) (sq.m.)	Planned Number of CPS	Land Use Rights Expiry Date	Construction Commencement Date	Estimated Completion Date	Estimated/ Actual Pre-Sale Commencement Date	Total Saleable GFA Pre-Sold (sq.m.)	Total Estimated Development Cost (RMB)	Development Cost incurred up to the valuation date (RMB)	Gross Development Value (RMB)	Market Value in existing state as at the valuation date (RMB)	Interest Attributable to the Group (%)	Market Value Attributable to the Group as at the valuation date* (RMB)	Market Value for reference (for properties without proper title certificates) as at the valuation date* (RMB)
54	Project Suzhou New Block Jiang Lai	Jiangsu	85,305.40	R, C, CPS	214,215.97	150,393.16	1,542	12 November 2059 for commercial use, 12 November 2089 for residential use	March 2020	October 2023	October 2020	—	1,455,200,000	561,300,000	1,867,800,000	686,300,000	96%	658,800,000	—
55	Project Yangzhou New Block Avenue	Jiangsu	128,052.00	R, C, CPS	326,811.04	234,836.27	2,299	2 April 2089 for residential use	August 2019	January 2023	September 2019	90,945.96	2,134,600,000	1,299,400,000	2,793,500,000	1,524,300,000	96%	1,463,300,000	—
56	Project Yangzhou Eden Garden	Jiangsu	52,581.00	R, C, CPS	130,370.64	90,784.32	913	12 February 2088 for residential use	August 2018	March 2021	October 2018	106,967.68	988,700,000	822,500,000	1,301,700,000	1,024,700,000	32%	327,900,000	—
57	Project Zhenjiang New Block Xinyuan	Jiangsu	76,715.00	R, CPS	226,857.00	174,576.87	1,287	3 March 2089 for residential use	May 2019	May 2024	July 2019	8,657.65	1,613,100,000	1,136,300,000	1,886,500,000	1,227,100,000	96%	1,178,000,000	—
58	Project Zhenjiang Yundu Shangyuan	Jiangsu	50,041.00	R, CPS	162,947.25	124,248.16	995	8 August 2089 for residential use	September 2019	November 2022	September 2019	22,910.40	1,156,800,000	718,200,000	1,209,100,000	805,500,000	96%	773,300,000	—
59	Project Beijing Chaoyang Port No.1 Block	Beijing	73,891.29	O, S	174,907.00	98,140.00	1,020	17 May 2050 for warehouse use	July 2018	December 2020	—	—	2,558,600,000	2,289,300,000	3,245,000,000	2,836,600,000	96%	2,723,100,000	—
60	Project Tianjin Xueshi Garden	Tianjin	80,124.40	R, C	198,621.76	144,118.97	1,544	30 May 2059 for commercial use, 30 May 2089 for residential use	April 2019	August 2022	June 2019	57,993.00	1,626,000,000	1,064,100,000	2,080,500,000	1,258,300,000	96%	1,208,000,000	—
61	Project Tianjin Yunqi Garden	Tianjin	40,441.80	R, C	98,572.21	70,023.52	845	6 August 2059 for commercial use, 6 August 2089 for residential use	June 2020	November 2022	March 2021	—	846,700,000	425,600,000	1,050,800,000	465,900,000	96%	447,300,000	—
62	Project Tianjin Yunhui Garden	Tianjin	36,585.90	R, C	91,459.72	66,544.38	712	8 July 2059 for commercial use, 8 July 2089 for residential use	October 2019	October 2022	March 2021	—	781,300,000	442,000,000	853,900,000	475,800,000	96%	456,800,000	—

Property No.	Name of Property	Province/ Municipality	Site Area (sq.m.)	Use	Total GFA (sq.m.)	Total Leasable/ Saleable GFA (excluding CPS) (sq.m.)	Planned Number of CPS	Land Use Rights Expiry Date	Construction Commencement Date	Estimated Completion Date	Estimated/ Actual Pre-Sale Commencement Date	Total Saleable GFA Pre-Sold (sq.m.)	Total Estimated Development Cost (RMB)	Development Cost incurred up to the valuation date (RMB)	Gross Development Value (RMB)	Market Value in existing state as at the valuation date (RMB)	Interest Attributable to the Group (%)	Market Value Attributable to the Group as at the valuation date* (RMB)	Market Value for reference (for properties without proper title certificates) as at the valuation date* (RMB)
63	Project Tianjin Yunque Garden	Tianjin	42,078.40	R, C	95,407.78	69,194.54	744	8 July 2059 for commercial use, 8 July 2089 for residential use	July 2019	April 2022	November 2019	20,520.59	801,100,000	555,500,000	869,100,000	600,100,000	96%	576,100,000	—
64	Portions of Project Tianjin Hu'an Garden	Tianjin	—	R	187,837.18	142,162.63	971	13 April 2079 for residential use	April 2018	May 2021	June 2018	141,237.85	1,031,600,000	765,300,000	1,423,700,000	1,072,900,000	96%	1,030,000,000	—
65	Project Tianjin Yuncui Garden	Tianjin	25,235.60	R, C	66,670.60	49,607.71	411	9 January 2059 for commercial use, 9 January 2089 for residential use	January 2019	November 2021	May 2019	40,671.76	967,800,000	877,900,000	1,029,500,000	945,700,000	96%	907,900,000	—
66	Project Shijiazhuang New Block Star	Hebei	39,388.95	R, C	103,534.41	83,397.64	845	20 November 2089 for residential use	May 2020	October 2022	June 2020	5,312.54	757,800,000	387,800,000	1,174,100,000	485,400,000	96%	466,000,000	—
67	Project Shijiazhuang Jinhui Elite's Mansion	Hebei	65,052.38	R	109,478.39	83,713.46	586	7 August 2087 for residential use	September 2018	December 2020	December 2018	24,540.08	1,425,100,000	896,000,000	1,474,800,000	1,081,700,000	53%	571,100,000	—
68	Project Shijiazhuang New Block Shangfu West	Hebei	52,543.23	R, C	135,081.47	106,900.47	921	8 July 2089 for residential use	November 2019	October 2022	May 2020	19,248.60	1,035,900,000	563,900,000	1,509,600,000	768,900,000	96%	738,100,000	—
69	Project Shijiazhuang Kaiyuan House	Hebei	54,618.95	R	101,301.80	82,828.05	443	15 August 2088 for residential use	November 2018	September 2021	March 2019	45,802.00	1,086,700,000	773,300,000	1,433,600,000	911,600,000	96%	875,100,000	—
70	Portions of Project Shijiazhuang New Block Yayuan	Hebei	—	R, C	78,511.67	58,946.23	596	7 October 2059 for commercial use, 7 October 2089 for residential use	March 2020	November 2022	May 2020	12,903.28	490,100,000	143,200,000	755,800,000	246,200,000	77%	189,100,000	—
71	Portions of Project Langfang New Block Riverside Garden	Hebei	—	R, C	281,813.27	196,612.45	3,445	27 June 2059 for commercial use, 27 June 2089 for residential use	December 2019	December 2023	August 2020	—	2,418,600,000	1,305,200,000	3,037,800,000	1,625,400,000	96%	1,560,400,000	—

Property No.	Name of Property	Province/ Municipality	Site Area (sq.m.)	Use	Total GFA (sq.m.)	Total Leasable/ Saleable GFA (excluding CPS) (sq.m.)	Planned Number of CPS	Land Use Rights Expiry Date	Construction Commencement Date	Estimated Completion Date	Estimated/ Actual Pre-Sale Commencement Date	Total Saleable GFA Pre-Sold (sq.m.)	Total Estimated Development Cost (RMB)	Development Cost incurred up to the valuation date (RMB)	Gross Development Value (RMB)	Market Value in existing state as at the valuation date (RMB)	Interest Attributable to the Group (%)	Market Value Attributable to the Group as at the valuation date* (RMB)	Market Value for reference (for properties without proper title certificates) as at the valuation date* (RMB)
72	Project Shenyang Jiangshan Elite's Mansion	Liaoning	127,324.51	R, C	248,740.93	188,076.74	1,465	14 June 2057 for commercial use, 14 June 2087 for residential use	May 2018	October 2020	June 2018	134,711.84	1,660,600,000	1,638,000,000	2,518,800,000	2,444,900,000	96%	2,347,100,000	—
73	Portions of Project Yancheng Jinhui City Block D	Jiangsu	—	R	41,801.00	9,713.16	1,065	8 November 2081 for residential use	November 2017	September 2020	December 2017	9,713.16	116,800,000	112,800,000	134,900,000	131,200,000	96%	126,000,000	—
74	Project Yancheng Jinhui New Block Garden	Jiangsu	31,180.00	R, C	91,843.26	67,547.12	651	19 May 2089 for residential use	August 2019	March 2022	September 2019	31,773.60	488,500,000	295,500,000	540,400,000	308,700,000	96%	296,400,000	—
75	Portions of Project Huai'an Jinhui City Square	Jiangsu	—	R, CPS	50,145.36	36,438.15	403	24 February 2060 for commercial use, 24 February 2090 for residential use	June 2020	November 2024	September 2020	—	218,500,000	60,900,000	276,600,000	69,100,000	58%	39,800,000	—
76	Portions of Project Huai'an Jinhui City Phase II	Jiangsu	—	R	172,283.86	147,467.66	705	15 September 2081 for residential use	August 2018	November 2020	October 2018	147,471.50	624,000,000	447,400,000	862,300,000	660,200,000	96%	633,800,000	—
77	Project Huai'an Jinhui City Phase III	Jiangsu	108,819.00	R, C	352,858.13	263,753.08	2,186	31 October 2087 for residential use	June 2019	November 2022	August 2019	302,600.64	1,492,600,000	749,100,000	1,953,400,000	923,500,000	97%	899,800,000	—
78	Portions of Project Huai'an Jinhui Swan Bay	Jiangsu	—	R, S	59,514.69	16,003.55	1,486	10 November 2052 for commercial use, 10 November 2082 for residential use	August 2017	November 2020	August 2018	16,003.55	144,800,000	130,000,000	156,100,000	142,300,000	96%	136,600,000	—
79	Portions of Project Huai'an Jinhui Four Seasons Community	Jiangsu	—	R, C	245,310.29	189,410.66	1,739	8 May 2081 for residential use, 8 May 2051 for commercial use	January 2018	April 2021	January 2018	187,041.54	914,600,000	767,000,000	1,178,900,000	1,055,700,000	96%	1,013,500,000	—
80	Portions of Project Huai'an New Block Garden	Jiangsu	—	R, C	45,290.76	30,224.73	482	8 April 2060 for commercial use, 8 April 2090 for residential use	July 2020	October 2022	October 2020	—	232,200,000	78,900,000	233,500,000	79,600,000	96%	76,400,000	—

Property No.	Name of Property	Province/ Municipality	Site Area (sq.m.)	Use	Total GFA (sq.m.)	Total Leasable/ Saleable GFA (excluding CPS) (sq.m.)	Planned Number of CPS	Land Use Rights Expiry Date	Construction Commencement Date	Estimated Completion Date	Estimated/ Actual Pre-Sale Commencement Date	Total Saleable GFA Pre-Sold (sq.m.)	Total Estimated Development Cost (RMB)	Development Cost incurred up to the valuation date (RMB)	Gross Development Value (RMB)	Market Value in existing state as at the valuation date (RMB)	Interest Attributable to the Group (%)	Market Value Attributable to the Group as at the valuation date* (RMB)	Market Value for reference (for properties without proper title certificates) as at the valuation date* (RMB)
81	Project Lianyungang Jinhui Four Seasons Guanlan	Jiangsu	49,756.20	R, CPS	140,306.33	99,205.87	1,154	19 December 2088 for residential use	April 2019	August 2021	June 2019	81,225.56	968,400,000	690,000,000	1,160,700,000	796,500,000	96%	764,600,000	—
82	Portions of Project Lianyungang Yunting Riverside	Jiangsu	—	R, CPS	94,345.68	45,845.68	824	18 June 2090 for residential use	July 2020	April 2023	October 2020	—	817,500,000	123,200,000	926,800,000	135,800,000	96%	130,400,000	—
83	Project Xuzhou Xinbu Lanting	Jiangsu	55,982.00	R, C	174,621.48	126,056.79	1,197	30 December 2089 for residential use	April 2020	March 2023	June 2020	28,628.68	1,446,300,000	788,800,000	1,975,700,000	963,300,000	96%	924,800,000	—
84	Project Xuzhou New Block Riverside	Jiangsu	50,212.16	R, C	102,493.15	77,300.95	624	8 August 2058 for commercial use, 8 August 2068 for educational and scientific uses, 8 August 2088 for residential use	November 2018	September 2021	December 2018	52,447.03	553,300,000	462,900,000	570,500,000	518,100,000	96%	497,400,000	—
85	Project Fuzhou Jinhui New Block Garden	Fujian	19,890.60	R, C, CPS	71,505.44	50,906.65	530	2 July 2059 for commercial use, 2 July 2089 for residential use	August 2019	May 2021	November 2019	34,177.14	599,600,000	521,500,000	806,400,000	659,400,000	96%	633,000,000	—
86	Project Fuzhou Jinhui Lanlinxuan	Fujian	63,518.00	R, C, CPS	234,215.57	169,540.17	1,655	13 July 2060 for commercial use, 13 July 2090 for residential use	January 2020	November 2021	August 2020	—	2,630,400,000	2,011,100,000	3,755,500,000	2,470,500,000	96%	2,371,700,000	—
87	Project Fuqing New Block Avenue	Fujian	43,071.00	R, C, CPS	187,158.78	138,923.76	1,230	25 May 2059 for commercial use, 25 May 2089 for residential use	July 2019	January 2022	December 2019	119,488.62	962,300,000	587,900,000	1,114,000,000	691,500,000	96%	663,800,000	—
88	Project Fuqing Jiangshan Elite's Mansion	Fujian	49,504.00	R, C, CPS	202,623.39	154,311.31	1,299	15 October 2058 for commercial use, 15 October 2088 for residential use	November 2018	May 2021	January 2019	177,512.85	1,256,000,000	1,127,600,000	1,906,700,000	1,648,400,000	37%	616,500,000	—

Property No.	Name of Property	Province/ Municipality	Site Area (sq.m.)	Use	Total GFA (sq.m.)	Total Leasable/ Saleable GFA (excluding CPS) (sq.m.)	Planned Number of CPS	Land Use Rights Expiry Date	Construction Commencement Date	Estimated Completion Date	Estimated/ Actual Pre-Sale Commencement Date	Total Saleable GFA Pre-Sold (sq.m.)	Total Estimated Development Cost (RMB)	Development Cost incurred up to the valuation date (RMB)	Gross Development Value (RMB)	Market Value in existing state as at the valuation date (RMB)	Interest Attributable to the Group (%)	Market Value Attributable to the Group as at the valuation date* (RMB)	Market Value for reference (for properties without proper title certificates) as at the valuation date* (RMB)
89	Project Fuqing Guanlan Elite's Mansion	Fujian	49,440.00	R, C, CPS	192,905.78	144,971.59	1,228	27 October 2058 for commercial use, 27 October 2088 for residential use	December 2018	November 2021	April 2019	162,151.15	995,600,000	895,000,000	1,400,500,000	1,222,100,000	96%	1,173,200,000	—
90	Project Fuqing New Block Academy	Fujian	53,168.00	R, C, CPS	175,279.76	129,802.39	1,156	26 April 2058 for commercial use, 26 April 2088 for residential use	March 2018	December 2020	June 2018	141,114.61	1,032,700,000	957,300,000	1,363,100,000	1,271,800,000	35%	439,500,000	—
91	Project Fuqing New Block Garden	Fujian	45,138.00	R, C, CPS	173,964.56	136,453.61	1,100	18 March 2060 for commercial use, 18 March 2090 for residential use	April 2020	April 2022	June 2020	97,958.72	813,600,000	330,500,000	1,185,000,000	403,100,000	49%	197,400,000	—
92	Project Fuqing East Elite's Mansion	Fujian	16,330.00	R, CPS	54,305.00	39,619.50	337	22 June 2090 for residential use	July 2020	September 2022	September 2020	—	328,900,000	151,400,000	508,400,000	175,100,000	49%	85,800,000	—
93	Portions of Project Quanzhou Shishi Jinhui City	Fujian	—	R, C, CPS	531,340.23	286,422.85	2,758	13 February 2058 for commercial and residential uses	November 2019	February 2022	December 2019	53,710.23	2,267,700,000	617,400,000	2,708,500,000	1,919,900,000	82%	1,566,600,000	—
94	Portions of Project Foshan New Block Avenue	Guangdong	—	R, C, CPS	68,150.90	47,437.02	422	16 April 2057 for commercial use, 16 April 2087 for residential use	December 2017	April 2021	August 2019	22,635.67	925,500,000	804,800,000	1,046,000,000	936,700,000	96%	899,200,000	—
95	Project Foshan Lingnan Elite's Mansion	Guangdong	17,164.72	R, C	98,943.41	58,889.92	872	16 June 2057 for commercial use, 16 June 2087 for residential use	April 2018	June 2021	April 2020	2,878.63	1,237,000,000	1,005,200,000	1,444,300,000	1,173,100,000	96%	1,126,200,000	—

Property No.	Name of Property	Province/ Municipality	Site Area (sq.m.)	Use	Total GFA (sq.m.)	Total Leasable/ Saleable GFA (excluding CPS) (sq.m.)	Planned Number of CPS	Land Use Rights Expiry Date	Construction Commencement Date	Estimated Completion Date	Estimated/ Actual Pre-Sale Commencement Date	Total Saleable GFA Pre-Sold (sq.m.)	Total Estimated Development Cost (RMB)	Development Cost incurred up to the valuation date (RMB)	Gross Development Value (RMB)	Market Value in existing state as at the valuation date (RMB)	Interest Attributable to the Group (%)	Market Value Attributable to the Group as at the valuation date* (RMB)	Market Value for reference (for properties without proper title certificates) as at the valuation date* (RMB)
96	Project Huizhou Jinhui Elegant Pavilion	Guangdong	49,915.00	R, C, CPS	161,060.00	116,748.32	1,164	31 May 2058 and 28 May 2060 for commercial use, 31 May 2088 and 28 May 2090 for residential use	May 2019	November 2022	November 2019	41,892.53	1,026,700,000	738,300,000	1,422,400,000	961,400,000	96%	922,900,000	—
97	Project Huizhou New Block Mansion	Guangdong	12,415.40	R, C	41,812.00	28,981.00	298	21 October 2059 for commercial use, 21 October 2089 for residential use	March 2020	July 2022	October 2020	—	292,400,000	195,500,000	373,200,000	220,700,000	96%	211,900,000	—
98	Project Chongqing Tianchen Elite's Mansion	Chongqing	52,683.00	R, C, CPS	108,998.71	78,050.94	844	20 October 2069 for residential use	January 2020	November 2021	March 2020	13,738.91	916,100,000	637,200,000	1,128,400,000	720,200,000	49%	352,600,000	—
99	Portions of Project Chongqing Jiangshan Elite's Mansion	Chongqing	—	R, C, CPS	176,743.78	123,607.18	1,316	2 January 2060 for commercial use, 2 January 2070 for residential use	May 2020	December 2021	June 2020	197.00	1,756,800,000	953,500,000	2,782,800,000	1,585,100,000	58%	913,000,000	—
100	Portions of Project Chongqing Zhongyang King's Garden	Chongqing	—	R, C, CPS	327,540.26	238,753.88	2,366	30 June 2057 for commercial use, 30 June 2067 for residential use	June 2018	October 2022	June 2018	133,589.12	2,741,500,000	2,268,400,000	3,478,200,000	3,058,800,000	96%	2,936,400,000	—
101	Portions of Project Chongqing Yujiang House	Chongqing	—	R, C	78,844.00	78,814.02	—	24 April 2041 for commercial use, 24 April 2051 for residential use	November 2016	September 2020	November 2017	78,814.02	623,800,000	579,900,000	1,213,500,000	1,210,600,000	96%	1,162,200,000	—
102	Project Chongqing Changjiang King's Garden	Chongqing	59,031.00	R, C, CPS	231,473.18	155,029.75	1,544	24 April 2041 for commercial use, 24 April 2051 for residential use	January 2019	November 2020	January 2019	114,833.70	1,598,600,000	979,300,000	3,049,500,000	2,283,500,000	96%	2,192,200,000	—

Property No.	Name of Property	Province/ Municipality	Site Area (sq.m.)	Use	Total GFA (sq.m.)	Total Leasable/ Saleable GFA (excluding CPS) (sq.m.)	Planned Number of CPS	Land Use Rights Expiry Date	Construction Commencement Date	Estimated Completion Date	Estimated/ Actual Pre-Sale Commencement Date	Total Saleable GFA Pre-Sold (sq.m.)	Total Estimated Development Cost (RMB)	Development Cost incurred up to the valuation date (RMB)	Gross Development Value (RMB)	Market Value in existing state as at the valuation date (RMB)	Interest Attributable to the Group (%)	Market Value Attributable to the Group as at the valuation date* (RMB)	Market Value for reference (for properties without proper title certificates) as at the valuation date* (RMB)
103	Portions of Project Liangping Hushan Elite's Mansion	Chongqing	—	R, C, CPS	341,255.92	243,162.66	2,830	31 December 2058 for commercial use, 31 December 2068 for residential use	November 2018	November 2022	January 2019	91,528.56	1,375,900,000	819,000,000	1,762,400,000	1,054,300,000	48%	506,100,000	—
104	Portions of Project Wuhan Jinhui City	Hubei	—	R, C	200,852.10	150,762.85	588	22 September 2053 for commercial use, 22 September 2083 for residential use	January 2019	January 2022	February 2019	56,712.08	967,700,000	437,800,000	968,300,000	471,500,000	96%	452,600,000	—
105	Portions of Project Wuhan Jiangyue Elite's Mansion	Hubei	64,761.45	R, C	324,119.33	234,400.97	2,930	3 December 2058 for commercial use, 3 December 2088 for residential use	April 2019	April 2022	June 2019	114,019.53	3,333,400,000	3,186,400,000	3,967,900,000	3,790,100,000	38%	1,455,400,000	—
106	Portions of Project Wuhan New Block Lakeside	Hubei	—	R, C	135,543.10	73,621.40	2,099	18 March 2088 for residential use	June 2018	September 2020	June 2018	54,067.08	905,200,000	820,500,000	1,006,400,000	832,200,000	96%	798,900,000	—
107	Project Jingzhou Chuyue Elite's Mansion	Hubei	51,187.20	R, C	230,207.14	169,622.32	1,661	14 September 2058 for commercial use, 14 September 2088 for residential use	March 2019	May 2022	April 2019	64,809.30	1,131,300,000	786,600,000	1,410,500,000	898,800,000	96%	862,800,000	—
108	Phase II of Project Changsha Hongtao Jade Bay	Hunan	—	R, C	123,931.58	97,806.21	412	17 March 2045 for commercial use, 17 March 2075 for residential use	June 2019	May 2022	August 2019	73,156.91	751,900,000	562,800,000	891,900,000	720,200,000	96%	691,400,000	—
109	Portions of Project Changsha Xingyu Academy	Hunan	—	R	229,161.90	140,385.31	2,716	17 October 2089 for residential use	May 2020	July 2022	May 2020	61,986.90	1,155,600,000	483,500,000	1,250,800,000	541,900,000	96%	520,200,000	—
110	Project Changsha Xingyue Yundi	Hunan	115,142.49	R, C	359,708.00	278,624.00	2,327	18 February 2090 for residential use	May 2020	November 2022	July 2020	814.41	2,231,800,000	1,189,100,000	2,868,100,000	1,399,400,000	96%	1,343,400,000	—

Property No.	Name of Property	Province/ Municipality	Site Area (sq.m.)	Use	Total GFA (sq.m.)	Total Leasable/ Saleable GFA (excluding CPS) (sq.m.)	Planned Number of CPS	Land Use Rights Expiry Date	Construction Commencement Date	Estimated Completion Date	Estimated/ Actual Pre-Sale Commencement Date	Total Saleable GFA Pre-Sold (sq.m.)	Total Estimated Development Cost (RMB)	Development Cost incurred up to the valuation date (RMB)	Gross Development Value (RMB)	Market Value in existing state as at the valuation date (RMB)	Interest Attributable to the Group (%)	Market Value Attributable to the Group as at the valuation date* (RMB)	Market Value for reference (for properties without proper title certificates) as at the valuation date* (RMB)
111	Portions of Project Changsha Jinhui Weichu Garden	Hunan	—	R, C	207,080.18	149,722.73	1,331	3 January 2087 and 31 October 2088 for residential use	April 2018	December 2021	June 2018	130,278.65	1,485,600,000	1,318,100,000	1,550,200,000	1,319,700,000	96%	1,266,900,000	—
112	Project Meishan Renshou Jinhui New Block Garden	Sichuan	41,112.33	R, C, CPS	121,757.93	89,874.60	895	27 April 2058 for commercial use, 27 April 2088 for residential use	June 2018	June 2021	August 2018	82,414.16	845,300,000	627,800,000	847,000,000	697,100,000	96%	669,200,000	—
113	Project Hefei New Block Academy	Anhui	100,288.92	R, C, CPS	271,047.00	218,777.84	1,785	30 August 2088 for residential use	December 2018	November 2021	December 2018	162,288.28	2,140,500,000	1,864,300,000	2,752,000,000	2,250,900,000	67%	1,512,600,000	—
114	Project Hefei Cloudworld Garden	Anhui	16,261.73	R, CPS	49,985.44	38,235.02	323	7 October 2087 for residential use	April 2018	November 2020	September 2018	28,436.68	763,300,000	730,000,000	782,800,000	744,300,000	96%	714,500,000	—
115	Project Hefei Xin'an Garden	Anhui	34,505.00	R, C, CPS	91,410.00	65,769.78	609	16 July 2089 for residential use	September 2019	November 2021	November 2019	44,495.30	748,400,000	565,400,000	860,200,000	620,700,000	96%	595,900,000	—
116	Project Hefei Xin'an Yayuan	Anhui	64,532.00	R, C, S, CPS	177,111.00	133,209.00	881	16 July 2089 for residential use	January 2020	February 2023	May 2020	18,295.04	1,401,300,000	1,017,400,000	1,893,100,000	1,308,000,000	96%	1,255,700,000	—
117	Portions of Project Hefei Xizi Garden	Anhui	—	CPS	33,302.18	—	476	13 April 2087 for residential use	July 2017	December 2020	August 2017	2,211.23	34,560,000	34,060,000	142,300,000	55,000,000	22%	12,100,000	—
118	Portions of Project Xi'an Jinghe Town	Shaanxi	—	R, C	826,558.66	652,038.00	4,792	29 December 2046 for commercial use, 29 December 2076 for residential use	May 2011	October 2028	October 2013	183,276.55	4,068,900,000	1,828,900,000	5,423,000,000	2,591,700,000	96%	2,488,000,000	—
119	Project Xi'an Academy Mansion	Shaanxi	46,649.00	R, C	116,238.87	81,493.17	993	12 August 2088 for residential use	January 2019	May 2021	April 2019	40,058.04	723,800,000	472,200,000	1,013,500,000	615,300,000	96%	590,700,000	—
120	Project Xi'an Gaoxin Elite's Mansion	Shaanxi	37,326.22	R, C, CPS	195,120.00	144,122.30	787	25 July 2057 for commercial use, 25 July 2087 for residential use	April 2018	March 2022	May 2018	149,335.76	1,484,900,000	1,168,900,000	2,277,200,000	1,749,900,000	96%	1,679,900,000	—

Property No.	Name of Property	Province/ Municipality	Site Area (sq.m.)	Use	Total GFA (sq.m.)	Total Leasable/ Saleable GFA (excluding CPS) (sq.m.)	Planned Number of CPS	Land Use Rights Expiry Date	Construction Commencement Date	Estimated Completion Date	Estimated/ Actual Pre-Sale Commencement Date	Total Saleable GFA Pre-Sold (sq.m.)	Total Estimated Development Cost (RMB)	Development Cost incurred up to the valuation date (RMB)	Gross Development Value (RMB)	Market Value in existing state as at the valuation date (RMB)	Interest Attributable to the Group (%)	Market Value Attributable to the Group as at the valuation date* (RMB)	Market Value for reference (for properties without proper title certificates) as at the valuation date* (RMB)
121	Project Xi'an Jinhui Chang'an Elite's Mansion	Shaanxi	53,859.36	R, C, CPS	219,831.09	168,532.63	1,190	7 July 2059 for commercial use, 7 July 2089 for residential use	July 2020	May 2023	August 2020	—	2,189,900,000	912,000,000	2,869,000,000	1,114,200,000	96%	1,069,600,000	—
122	Portions of Project Xi'an Jinhui New Block Garden	Shaanxi	—	R, C, CPS	81,728.77	52,926.65	667	25 October 2056 for commercial use, 25 October 2086 for residential use	May 2017	October 2020	November 2017	64,896.83	433,100,000	415,600,000	615,000,000	612,000,000	96%	587,500,000	—
123	Project Xi'an Jinhui East King's Garden	Shaanxi	127,014.99	R, C, H, CPS	471,917.61	341,993.39	3,365	29 November 2058 for commercial and hotel uses, 29 November 2088 for residential use	August 2019	November 2022	November 2019	157,307.00	4,525,500,000	2,297,400,000	5,898,200,000	2,934,100,000	96%	2,816,700,000	—
124	Portions of Project Xi'an Jinhui World City	Shaanxi	—	R, C, CPS	729,843.49	549,112.61	5,767	28 August 2051 and 31 August 2051 for commercial use, 28 August 2081 for residential use	September 2017	December 2021	September 2017	531,466.67	7,641,400,000	5,482,600,000	9,851,900,000	6,277,800,000	96%	6,026,700,000	—
125	Portions of Project Xi'an Jinhui World City Block I/J	Shaanxi	—	R, C, CPS	312,710.86	217,679.41	2,418	31 August 2051 for commercial use, 31 August 2081 for residential use	August 2017	March 2023	December 2018	145,830.87	2,622,700,000	1,450,000,000	3,704,100,000	2,081,800,000	96%	1,998,500,000	—
126	Project Zhengzhou Binhe Elite's Mansion	Henan	88,578.26	R, C	292,027.98	215,084.56	2,014	11 August 2088 for residential use	December 2018	May 2024	March 2019	52,336.49	3,367,700,000	2,643,800,000	3,725,700,000	2,645,700,000	96%	2,539,900,000	—
127	Project Zhengzhou New Block Garden	Henan	48,549.10	R	167,248.51	123,892.54	1,124	13 April 2089 for residential use	June 2019	February 2023	August 2019	42,543.03	1,431,900,000	836,900,000	1,761,700,000	976,100,000	96%	937,100,000	—

Property No.	Name of Property	Province/ Municipality	Site Area *(sq.m.)*	Use	Total GFA *(sq.m.)*	Total Leasable/ Saleable GFA (excluding CPS) *(sq.m.)*	Planned Number of CPS	Land Use Rights Expiry Date	Construction Commencement Date	Estimated Completion Date	Estimated/ Actual Pre-Sale Commencement Date	Total Saleable GFA Pre-Sold *(sq.m.)*	Total Estimated Development Cost *(RMB)*	Development Cost incurred up to the valuation date *(RMB)*	Gross Development Value *(RMB)*	Market Value in existing state as at the valuation date *(RMB)*	Interest Attributable to the Group *(%)*	Market Value Attributable to the Group as at the valuation date* *(RMB)*	Market Value for reference (for properties without proper title certificates) as at the valuation date* *(RMB)*
128	Project Hangzhou Zizhangtai Apartment	Zhejiang	68,263.00	R, C	299,144.97	141,204.68	2,161	29 January 2058 for public service facilities use, 29 January 2088 for residential use	April 2018	October 2020	December 2020	—	5,270,900,000	5,006,600,000	6,141,400,000	5,683,600,000	49%	2,782,700,000	—
129	Portions of Project Chongqing Jinke Jinhui Meiyuan	Chongqing	—	R, C	98,291.91	95,369.68	—	30 June 2057 for commercial use, 30 June 2067 for residential use	August 2018	January 2021	December 2018	95,369.68	387,000,000	216,400,000	1,080,000,000	769,000,000	47%	361,400,000	—
130	Portions of Project Chongqing Jinke Jinhui Bocui Mountain	Chongqing	—	R, C, CPS	105,651.90	66,993.94	698	17 March 2057 for commercial use, 17 March 2067 for residential use	November 2018	January 2021	June 2019	102,105.95	727,600,000	655,900,000	756,900,000	740,100,000	47%	347,800,000	—

Notes:

1. As advised by the Group, portions of the properties with a total gross floor area of approximately 5,754,165.52 sq.m. have been pre-sold to various third parties at a total consideration of RMB68,821,051,399. Such portions of the properties have not been legally and virtually transferred and therefore we have included the units in our valuation. In arriving at our opinion on the market values of the properties, we have taken into account the contracted prices of such portions.

2. Property no. 128 is held by the Company's Associate and property nos. 129 and 130 are held by the Company's Joint Ventures.

3. We have been provided with a legal opinion regarding the property interests by the Company's PRC Legal Advisor, which contains, inter alia, the following:

   a. the Group is legally and validly in possession of the land use rights with respect to the properties. The Group has the rights to occupy, use, transfer, lease, mortgage and dispose of the land use rights of the properties subject to compliance with the terms of the relevant mortgage contracts (if any);

   b. the Group has obtained necessary requisite construction work approvals in respect of the current development progress; and

   c. the Group has the rights to legally pre-sell the properties according to the obtained Pre-sale Permits.

Group V — Properties held for future development by the Group in the PRC

Property No.	Name of Property	Province/ Municipality	Site Area (sq.m.)	Use	Total Planned GFA (sq.m.)	Land Use Rights Expiry Date	Estimated Construction Commencement Date	Estimated Completion Date	Estimated/ Actual Pre-Sale Commencement Date	Market Value in existing state as at the valuation date (RMB)	Interest Attributable to the Group (%)	Market Value Attributable to the Group as at the valuation date* (RMB)	Market Value for reference (for properties without proper title certificates) as at the valuation date* (RMB)
131	Project Suzhou Taicang Block No.17	Jiangsu	35,504.40	C	74,114.67	12 November 2059 for commercial use	September 2020	September 2022	April 2023	36,100,000	96%	34,700,000	—
132	Project Zhangjiagang Riverside Yunjing Garden	Jiangsu	41,940.85	R	98,488.00	20 July 2090 for residential use	September 2020	July 2022	December 2020	595,300,000	96%	571,500,000	—
133	Project Shijiazhuang New Block Shangfu East	Hebei	35,285.54	R, C	88,455.62	8 July 2089 for residential use	August 2020	April 2023	March 2021	444,700,000	96%	426,900,000	—
134	Reserved land of Project Shijiazhuang New Block Yayuan	Hebei	—	R, C	78,358.11	7 October 2059 for commercial use, 7 October 2089 for residential use	August 2020	November 2022	October 2020	139,500,000	77%	107,100,000	—
135	Reserved land of Project Langfang New Block Riverside Garden	Hebei	—	R, C	173,905.47	27 June 2059 for commercial use, 27 June 2089 for residential use	March 2021	April 2024	September 2021	843,600,000	96%	809,900,000	—
136	Reserved land of Project Yancheng Jinhui City Block D	Jiangsu	—	R, C	101,389.60	8 November 2081 for residential use	December 2020	February 2023	August 2021	200,000,000	96%	192,000,000	—
137	Reserved land of Project Huai'an Jinhui City Square	Jiangsu	—	R, C, O	311,227.17	24 February 2060 for commercial use, 24 February 2090 for residential use	September 2020	November 2024	September 2020	279,000,000	58%	160,700,000	—
138	Reserved land of Project Huai'an Jinhui Four Seasons Community	Jiangsu	—	C	26,531.00	16 May 2051 for commercial use, 16 May 2081 for residential use	—	—	—	46,500,000	96%	44,600,000	—
139	Reserved land of Project Huai'an New Block Garden	Jiangsu	—	R, C	66,977.11	8 April 2060 for commercial use, 8 April 2090 for residential use	September 2020	August 2023	October 2020	132,100,000	96%	126,800,000	—
140	Reserved land of Project Lianyungang Yunting Riverside	Jiangsu	—	R	72,806.50	18 June 2090 for residential use	September 2020	April 2023	November 2020	191,800,000	96%	184,100,000	—
141	Reserved land of Phase III of Project Fuzhou Huai'an	Fujian	—	R, CPS	81,216.70	22 July 2040 for commercial use, 22 July 2070 for residential and public service facilities uses	—	—	—	1,997,600,000	58%	1,150,600,000	—

Property No.	Name of Property	Province/ Municipality	Site Area (sq.m.)	Use	Total Planned GFA (sq.m.)	Land Use Rights Expiry Date	Estimated Construction Commencement Date	Estimated Completion Date	Estimated/ Actual Pre-Sale Commencement Date	Market Value in existing state as at the valuation date (RMB)	Interest Attributable to the Group (%)	Market Value Attributable to the Group as at the valuation date* (RMB)	Market Value for reference (for properties without proper title certificates) as at the valuation date* (RMB)
142	Reserved land of Project Quanzhou Shishi Jinhui City	Fujian	—	R, C, CPS	447,289.86	13 February 2058 for commercial and residential uses	March 2021	May 2025	June 2021	966,500,000	82%	788,700,000	—
143	Project Foshan Yunjing Garden	Guangdong	44,206.74	R, C	162,759.77	20 July 2060 for residential use, 20 July 2090 for residential use	November 2020	June 2024	March 2021	1,205,800,000	96%	1,157,600,000	—
144	Project Huizhou Gaoling Phase II	Guangdong	67,841.00	R, C	325,596.00	1 March 2060 and 19 April 2060 for commercial use, 1 March 2090 and 19 April 2090 for residential use	November 2020	November 2023	May 2021	695,000,000	96%	667,200,000	—
145	Reserved land of Project Chongqing Jiangshan Elite's Mansion	Chongqing	—	R, C, CPS	128,785.31	2 January 2060 for commercial use, 2 January 2070 for residential use	September 2020	June 2023	June 2021	226,700,000	58%	130,600,000	—
146	Reserved land of Project Chongqing Zhongyang King's Garden	Chongqing	—	R	14,316.92	30 June 2057 for commercial use, 30 June 2067 for residential use	September 2020	August 2022	June 2021	109,500,000	96%	105,100,000	—
147	Reserved land of Project Chongqing Jinhui City Phase V	Chongqing	—	R	1,705.44	24 April 2041 for commercial use, 24 April 2051 for residential use	December 2020	May 2023	March 2021	36,500,000	96%	35,000,000	—
148	Reserved land of Project Liangping Hushan Elite's Mansion	Chongqing	—	R, C, CPS	164,237.63	31 December 2058 for commercial use, 31 December 2068 for residential use	October 2021	June 2024	January 2022	355,900,000	48%	170,800,000	—
149	Reserved land of Project Wuhan Jinhui City	Hubei	—	R, C	493,265.11	22 September 2053 for commercial use, 22 September 2083 for residential use	—	—	—	435,800,000	96%	418,400,000	—
150	Reserved land of Project Wuhan Jiangyue Elite's Mansion	Hubei	63,518.99	R, C	326,677.10	3 December 2058 for commercial use, 3 December 2068 for educational use, 3 December 2088 for residential use	October 2020	December 2023	November 2020	1,716,200,000	38%	659,000,000	—
151	Project Wuhan Jiangshan Elite's Mansion	Hubei	151,926.17	R, C	959,544.73	2 July 2059 for commercial use, 2 July 2089 for residential use	December 2020	January 2025	June 2021	3,730,200,000	62%	2,327,600,000	—

Property No.	Name of Property	Province/ Municipality	Site Area (sq.m.)	Use	Total Planned GFA (sq.m.)	Land Use Rights Expiry Date	Estimated Construction Commencement Date	Estimated Completion Date	Estimated/ Actual Pre-Sale Commencement Date	Market Value in existing state as at the valuation date (RMB)	Interest Attributable to the Group (%)	Market Value Attributable to the Group as at the valuation date* (RMB)	Market Value for reference (for properties without proper title certificates) as at the valuation date* (RMB)
152	Reserved land of Project Changsha Xingyu Academy	Hunan	—	R, C	178,345.88	17 October 2089 for residential use	November 2020	November 2023	January 2021	524,500,000	96%	503,500,000	—
153	Reserved land of Project Xi'an Jinghe Town	Shaanxi	—	R, C	1,730,718.34	29 December 2046 for commercial use, 29 December 2076 for residential use	October 2021	October 2028	December 2021	3,355,400,000	96%	3,221,200,000	—
154	Reserved land of Project Xi'an Jinhui World City Block I/J	Shaanxi	—	C, O	485,219.39	31 August 2051 for commercial use, 31 August 2081 for residential use	December 2021	December 2028	August 2022	1,021,100,000	96%	980,300,000	—

Note:

1. We have been provided with a legal opinion regarding the property interests by the Company's PRC Legal Advisor that the Group is legally and validly in possession of the land use rights with respect to the properties. The Group has the rights to legally occupy, use, transfer, lease, mortgage and dispose of the land of the properties subject to compliance with the terms of the relevant mortgage contracts (if any).

Group VI — Properties contracted to be acquired by the Group in the PRC

Property No.	Name of Property	Province/ Municipality	Site Area (sq.m.)	Use	Total Planned GFA (sq.m.)	Estimated Construction Commencement Date	Estimated Completion Date	Estimated/ Actual Pre-Sale Commencement Date	Market Value in existing state as at the valuation date (RMB)	Interest Attributable to the Group (%)	Market Value Attributable to the Group as at the valuation date* (RMB)	Market Value for reference (for properties without proper title certificates) as at the valuation date* (RMB)
155	Project Ningbo Jiangyue Waterflow	Zhejiang	122,292.00	R	204,399.60	September 2020	May 2022	October 2020	—	58%	—	1,103,500,000
156	Project Shaoxing Jingyue Elite's Mansion	Zhejiang	63,209.90	R	178,234.49	October 2020	May 2023	January 2021	—	96%	—	1,525,600,000
157	Project Wuxi Xidong King's Garden	Jiangsu	128,379.40	R	327,900.72	September 2020	May 2023	December 2022	—	96%	—	3,792,000,000
158	Project Huai'an New Block Dongjun	Jiangsu	56,711.70	R, C	149,619.40	November 2020	August 2024	February 2021	—	96%	—	308,900,000
159	Project Fuqing Zhongyang King's Garden	Fujian	65,225.00	R, C	240,352.50	November 2020	December 2022	March 2021	—	67%	—	1,025,900,000
160	Project Foshan Yunzhu Garden	Guangdong	66,438.78	R, C	231,176.96	April 2021	November 2023	August 2021	—	96%	—	1,616,400,000
161	Project Chongqing Jinhui Elite's Mansion	Chongqing	25,896.00	R, C, CPS	75,166.00	October 2020	March 2022	December 2020	—	96%	—	652,400,000
162	Project Chongqing Jinhui Caiyun Lake	Chongqing	44,496.00	R	128,026.00	October 2020	May 2022	January 2021	—	96%	—	1,030,800,000
163	Project Xi'an New Block Avenue	Shaanxi	189,256.48	R, C	812,326.38	January 2021	December 2023	April 2021	—	96%	—	1,694,400,000

Notes:

1. As at the valuation date, the properties had not been assigned to the Group and thus the titles of the properties had not been vested in the Group. Therefore, we have attributed no commercial value to the properties in this Group. For reference purpose, we have assessed the market value for reference of them assuming their title certificates have been obtained and can be freely transferred by the Group and there is no legal impediment and onerous cost in obtaining the title certificates.

2. Subsequent to the valuation date, the Group has obtained 3 Real Estate Title Certificates for property nos. 156 to 158. Pursuant to 3 Real Estate Title Certificates, the land use rights of 3 parcels of land with a total site area of approximately 248,301 sq.m. have been granted to the Group for residential and commercial uses.

3. We have been provided with a legal opinion regarding the property interests by the Company's PRC Legal Advisor, which contains, inter alia, the following:

   a. the State-owned Construction Land Use Rights Grant Contracts with respect to the properties (excluding property nos. 156 to 158) are legal and valid; and

   b. the Group is legally and validly in possession of the land use rights with respect to the property nos. 156 to 158. The Group has the rights to legally occupy, use, transfer, lease, mortgage and dispose of the land use rights of the property nos. 156 to 158.

SUMMARY OF PROJECTS

Abbreviation:

MCP-AV: Market Comparable Price (Accommodation Value) (RMB/sq.m.) for bare lands of the projects
MCP-R: Market Comparable Price (RMB/sq.m.) for residential
MCP-C: Market Comparable Price (RMB/sq.m.) for commercial
MCP-O: Market Comparable Price (RMB/sq.m.) for office
MCP-CPS: Market Comparable Price (RMB/space) for car parking space
Rent-C: Market Monthly Rent (RMB/sq.m.) for commercial
Rent-O: Market Monthly Rent (RMB/sq.m.) for office
Rent-CPS: Market Monthly Rent (RMB/space) for car parking space
CR: Capitalization Rate

Project No.	Project Name	Brief Description of the Project	Province/ Municipality	Ref. to Property No.	Market Value in existing state as at valuation date *(RMB)*	Market Value Attributable as at valuation date *(RMB)*	Market Value for reference (for properties without proper title certificates) as at the valuation date *(RMB)*	Valuation Parameter
1	Project Hangzhou Jiushang Elite's Mansion	The project is located in Yuhang District of Hangzhou City. The locality is well served by public transportation and there are also some public facilities nearby. It is a residential project which was under construction as at the valuation date.	Zhejiang	45	3,438,600,000	3,301,100,000	—	MCP-AV: 15,800-16,900 MCP-R: 23,500-26,000
2	Project Hangzhou Ziya Elite's Mansion	The project is located in Xihu District of Hangzhou City. The locality is well served by public transportation and there are also some public facilities nearby. It is a residential project which was under construction as at the valuation date.	Zhejiang	46	874,600,000	839,600,000	—	MCP-AV: 18,300-18,900 MCP-R: 22,000-29,500
3	Project Ningbo Shanghe Cloud Atrium	The project is located at the southern side of Baisha Street, Cixi City. The locality is well served by public transportation and there are also some public facilities nearby. It is a residential project which was under construction as at the valuation date.	Zhejiang	47	541,700,000	520,000,000	—	MCP-AV: 9,500-10,500 MCP-R: 16,000-19,000 MCP-C: 22,000-27,000 MCP-CPS: 10,500-13,000
4	Project Ningbo Jiangyue Waterflow	The project is located on the Hushan Street, Cixi City. The locality is well served by public transportation and there are also some public facilities nearby. The property was a parcel of land contracted to be acquired as at the valuation date.	Zhejiang	155	—	—	1,103,500,000	MCP-AV: 7,200-7,800

Project No.	Project Name	Brief Description of the Project	Province/ Municipality	Ref. to Property No.	Market Value in existing state as at valuation date *(RMB)*	Market Value Attributable as at valuation date *(RMB)*	Market Value for reference (for properties without proper title certificates) as at the valuation date *(RMB)*	Valuation Parameter
5	Project Shaoxing New Block Guanlan Garden	The project is located at the eastern side of Yuedong Road, the western side of Taoyang River, Yuecheng District, Shaoxing City, with excellent natural and landscape resources. It is a mid-end residential project which was under construction as at the valuation date.	Zhejiang	48	1,548,000,000	1,486,100,000	—	MCP-AV: 7,500-8,100 MCP-R: 14,000-19,000 MCP-C: 23,000-27,000 MCP-CPS: 130,000-155,000
6	Project Shaoxing Mirror Lake	The project is located at the northern side of Lingzhi Road, Yuecheng District. The locality is a newly developed area where public facilities are being improved. The property was under development as at the valuation date.	Zhejiang	49	1,328,800,000	1,275,600,000	—	MCP-AV: 10,100-11,700 MCP-R: 18,000-21,000 MCP-CPS: 180,000-200,000
7	Project Shaoxing Peninsula Elite's Mansion	The project is located in Hongqi County, Keyan Street, Keqiao District, Shaoxing City. The locality is well served by public transportation and there are also some public facilities nearby. It is a residential project which was under construction as at the valuation date.	Zhejiang	50	1,116,400,000	1,071,700,000	—	MCP-AV: 13,500-14,000 MCP-R: 24,000-26,500 MCP-CPS: 165,000-195,000
8	Project Shaoxing Jingyue Elite's Mansion	The project is located in Hongqi County, Keyan Street, Keqiao District, Shaoxing City. The locality is well served by public transportation and there are also some public facilities nearby. The property is a parcel of land contracted to be acquired as at the valuation date.	Zhejiang	156	—	—	1,525,600,000	MCP-AV: 12,000-13,500
9	Project Jurong Jinhui Four Seasons Guanlan	The project is located at the southeastern side of intersection of Xianlin East Road and Huangshu Road, Jurong City. The property was under construction as at the valuation date. It is planned to be developed into a complex development complex with residential, commercial and hotel buildings.	Jiangsu	51	989,300,000	949,700,000	—	MCP-AV: 6,300-6,900 MCP-R: 14,000-17,000 MCP-C: 17,000-20,500

Project No.	Project Name	Brief Description of the Project	Province/ Municipality	Ref. to Property No.	Market Value in existing state as at valuation date *(RMB)*	Market Value Attributable as at valuation date *(RMB)*	Market Value for reference (for properties without proper title certificates) as at the valuation date *(RMB)*	Valuation Parameter
10	Project Suzhou Sea Breeze Garden	The project is located at the junction of Wei 7th Road and Yuanlin Road, Taicang City, Jiangsu Province. The transportation network and public facilities nearby are under further improvement. It is a residential and commercial project. The property was held for sale as at the valuation date.	Jiangsu	1	388,600,000	373,100,000	3,600,000	MCP-R: 10,000-12,000 MCP-C: 11,000-14,800 MCP-CPS: 44,000-55,000
11	Project Suzhou New Block Four Seasons Garden	The project is located at the southern side of Huaxu Road and the eastern side of Xitang Road, Huqiu District, Suzhou City. It is a residential project developed by 2 phases. The property was under construction as at the valuation date.	Jiangsu	52	1,080,400,000	1,037,200,000	—	MCP-AV: 9,900-11,500 MCP-R: 18,000-22,000
12	Project Suzhou Qianwan Commercial Center	The project is located at No. 9 Sangyuan Road, Huqiu District, Suzhou City. The transportation network and public facilities nearby are under further improvement. It is a commercial project with car parking spaces completed in June 2019. As at the valuation date, portions of the project were rented to various tenants whilst the remaining portion of the project was held for sale.	Jiangsu	2 & 28	375,600,000	360,600,000	25,700,000	MCP-C: 13,500-21,500
13	Project Suzhou Runyuan Mansion Yayuan	The project is located at the northern side of West 8 Road and eastern side of Yuanhe River. The transportation network and public facilities nearby are under further improvement. It is a residential project which was under construction as at the valuation date.	Jiangsu	53	1,826,000,000	1,227,100,000	—	MCP-AV: 18,000-22,900 MCP-R: 29,000-33,700
14	Project Suzhou New Block Jiang Lai	The project is located in Guokai District of Taicang City. The locality is well served by public transportation and there are also some public facilities nearby. It is a residential and commercial project which was under construction as at the valuation date.	Jiangsu	54	686,300,000	658,800,000	—	MCP-AV-R: 3,700-4,100 MCP-AV-C: 600-700 MCP-R: 13,000-15,000 MCP-C: 20,000-23,000 MCP-CPS: 90,000-120,000

Project No.	Project Name	Brief Description of the Project	Province/ Municipality	Ref. to Property No.	Market Value in existing state as at valuation date *(RMB)*	Market Value Attributable as at valuation date *(RMB)*	Market Value for reference (for properties without proper title certificates) as at the valuation date *(RMB)*	Valuation Parameter
15	Project Suzhou Taicang Block No.17	The project is located in Guokai District of Taicang City. The locality is well served by public transportation and there are also some public facilities nearby. It comprises a parcel of land with a site area of approximately 35,504.40 sq.m., which will be developed into a commercial complex.	Jiangsu	131	36,100,000	34,700,000	—	MCP-AV-C: 600-700
16	Project Zhangjiagang Riverside Yunjing Garden	The project is located at the eastern side of Jiangcheng Road, Economic and Development Zone of Zhangjiagang City. It comprises a parcel of land with a site area of approximately 41,940.85 sq.m., which will be developed into a residential project.	Jiangsu	132	595,300,000	571,500,000	—	MCP-AV: 9,000-10,500
17	Project Wuxi Xidong King's Garden	The project is located at the northern side of Xishan Avenue and the eastern side of Hexiang Road, Xidong Xincheng Business Zone, Wuxi City. The transportation network and public facilities nearby are under further improvement. The property is a parcel of land contracted to be acquired as at the valuation date.	Jiangsu	157	—	—	3,792,000,000	MCP-AV: 15,000-17,500
18	Project Yangzhou New Block Avenue	The project is located at the southern side of Changjiang East Road and the eastern side of Xindu South Road, Jiangdu District, Yangzhou City. The transportation network and public facilities nearby are under further improvement. It is a residential project which was under construction as at the valuation date.	Jiangsu	55	1,524,300,000	1,463,300,000	—	MCP-AV: 4,900-5,500 MCP-R: 11,500-13,500 MCP-C: 15,000-20,000 MCP-CPS: 50,000-85,000
19	Project Yangzhou Eden Garden	The project is located at the junction of Wenchang Road and Renmin Road, Yangzhou City. The transportation network and public facilities nearby are under further improvement. It is a residential project which was under construction as at the valuation date.	Jiangsu	56	1,024,700,000	327,900,000	—	MCP-AV: 5,000-5,800 MCP-R: 11,000-16,000 MCP-C: 12,000-21,000 MCP-CPS：75,000-105,000

Project No.	Project Name	Brief Description of the Project	Province/ Municipality	Ref. to Property No.	Market Value in existing state as at valuation date *(RMB)*	Market Value Attributable as at valuation date *(RMB)*	Market Value for reference (for properties without proper title certificates) as at the valuation date *(RMB)*	Valuation Parameter
20	Project Zhenjiang New Block Xinyuan	The project is located at the southern side of Sipingshan Road and the western side of Zhihui Avenue, Jingkou District, Zhenjiang City. The transportation network and public facilities nearby are under further improvement. It is a residential project which was under construction as at the valuation date.	Jiangsu	57	1,227,100,000	1,178,000,000	—	MCP-AV: 5,000-5,600 MCP-R: 9,000-12,000 MCP-CPS: 40,000-54,000
21	Project Zhenjiang Yundu Shangyuan	The project is located at the southern side of Wei 4th Road and the eastern side of Jing 7th Road, Jingkou District, Zhenjiang City. The transportation network and public facilities nearby are under further improvement. It is a residential project which was under construction as at the valuation date.	Jiangsu	58	805,500,000	773,300,000	—	MCP-AV: 4,700-5,500 MCP-R: 8,500-11,700 MCP-CPS: 40,000-54,000
22	Project Shanghai Jinhui Tiancui Garden	The project is located at the eastern side of Hongcui Road, Minhang District. It is a residential project completed in 2019. As at the valuation date, portions of the project were held for sale, whilst the remaining portions of the project have been sold out.	Shanghai	3	606,300,000	582,000,000	78,300,000	MCP-R: 65,000-75,000 MCP-CPS: 400,000-505,000
23	Project Shanghai Jingang Commercial Plaza	The project is located at the western side of Huanhu West 3rd Road, Pudong New Area, Shanghai. It is a commercial development completed in 2014. As at the valuation date, portions of the project were held for sale, whilst the remaining portion of the project was held for investment.	Shanghai	4 & 29	414,100,000	397,500,000	50,000,000	MCP-C: 22,000-26,000 Rent-C: 30-60 CR: 5%
24	Project Beijing Chaoyang Port No.1 Block	The project is located at Jia No.1 East Fourth Ring Road, Chaoyang District, Beijing. It is a high-class storage project which was under construction as at the valuation date.	Beijing	59	2,836,600,000	2,723,100,000	—	MCP-AV: 5,500-6,300 Rent-O: 160-185 CR: 5%

Project No.	Project Name	Brief Description of the Project	Province/ Municipality	Ref. to Property No.	Market Value in existing state as at valuation date *(RMB)*	Market Value Attributable as at valuation date *(RMB)*	Market Value for reference (for properties without proper title certificates) as at the valuation date *(RMB)*	Valuation Parameter
25	Beijing Radiance Plaza	Beijing Radiance Plaza is located in Chaoyang District, Beijing. It is a 38-storey (plus 4 storey basement) office building completed in 2016 and comprises various retail and office units and car parking spaces. As at the valuation date, the property was held for investment by the Group.	Beijing	30 & 40	5,092,600,000	4,888,900,000	—	Rent-O: 280-300 Rent-C: 365-456 Rent-CPS: 1,000-1,300 CR-O: 4.75% CR-C: 5.25% CR-CPS: 3%
26	Project Tianjin Xueshi Garden	The project is located at the junction of Yuhua Street and Guangyang Road in Baodi District, Tianjin City. The locality is well served by public transportation and there are also some public facilities nearby. It is a residential project which was under construction as at the valuation date.	Tianjin	60	1,258,300,000	1,208,000,000	—	MCP-AV: 6,200-6,900 MCP-R: 10,000-16,000 MCP-C: 15,000-22,000
27	Project Tianjin Yunqi Garden	The project is located at the southern side of Guangyang Road and the western side of Shuangzhan Road, Baodi District, Tianjin City. The locality is well served by public transportation and there are also some public facilities nearby. It is a residential project which was under construction as at the valuation date.	Tianjin	61	465,900,000	447,300,000	—	MCP-AV: 6,000-6,500 MCP-R: 10,000-16,000 MCP-C: 16,000-20,000
28	Project Tianjin Yunhui Garden	The project is located at the junction of Xincang Road and Jiahe Road in Baodi District, Tianjin City. The locality is well served by public transportation and there are also some public facilities nearby. It is a residential project which was under construction as at the valuation date.	Tianjin	62	475,800,000	456,800,000	—	MCP-AV: 6,300-7,300 MCP-R: 10,000-15,000 MCP-C: 17,000-22,000
29	Project Tianjin Yunque Garden	The project is located at the junction of Wangyue Road and Yingxun Street in Baodi District, Tianjin City. The locality is well served by public transportation and there are also some public facilities nearby. It is a residential project which was under construction as at the valuation date.	Tianjin	63	600,100,000	576,100,000	—	MCP-AV: 5,900-6,800 MCP-R: 10,000-14,000 MCP-C: 17,000-22,000

Project No.	Project Name	Brief Description of the Project	Province/ Municipality	Ref. to Property No.	Market Value in existing state as at valuation date *(RMB)*	Market Value Attributable as at valuation date *(RMB)*	Market Value for reference (for properties without proper title certificates) as at the valuation date *(RMB)*	Valuation Parameter
30	Project Tianjin Hu'an Garden	The project is located in Binhai New Area of Tianjin. The project is close to Dongli Lake Scenic Area and Bolong Lake Park with excellent landscaped environment. It is a residential project developed by 4 phases. As at the valuation date, Phase I and Phase II were completed and held for sale whilst Phase III and Phase IV were under construction.	Tianjin	5 & 64	1,102,400,000	1,058,300,000	18,600,000	MCP-AV: 2,700-3,300 MCP-R: 9,000-11,000 MCP-C: 13,000-18,000
31	Project Tianjin Yuncui Garden	The project is located at the junction of Hongyuan Road and Cuitao Road in Beichen District, Tianjin City. The locality is well served by public transportation and there are also some public facilities nearby. It is a residential project which was under construction as at the valuation date.	Tianjin	65	945,700,000	907,900,000	—	MCP-AV: 13,000-14,000 MCP-R: 18,000-24,500 MCP-C: 29,000-32,000
32	Project Shijiazhuang New Block Star	The project is located at the intersection of Chenguang Road and Chengdong Street, Shijiazhuang City. It is a mid-end residential project which was under construction as at the valuation date.	Hebei	66	485,400,000	466,000,000	—	MCP-AV: 5,000-5,600 MCP-R: 11,000-15,000 MCP-C: 16,000-18,000
33	Project Shijiazhuang Jinhui Elite's Mansion	The project is located at the western side of Linji Street and the northern side of Dongguan Road, Shijiazhuang City. It is a top-class villa project which was under construction as at the valuation date.	Hebei	67	1,081,700,000	571,100,000	—	MCP-AV: 8,000-9,000 MCP-R: 16,000-18,000 MCP-CPS: 280,000-330,000
34	Project Shijiazhuang New Block (Pinyuan)	The project is located at the eastern side of Xincheng Avenue, the western side of Baipu Street, the northern side of Huayang Road and the southern side of Tianning Road, Zhengding New District, Shijiazhuang City. It is a mid-end residential development which was held for sale as at the valuation date.	Hebei	6	12,500,000	4,100,000	88,600,000	MCP-R: 12,500-14,500

Project No.	Project Name	Brief Description of the Project	Province/ Municipality	Ref. to Property No.	Market Value in existing state as at valuation date *(RMB)*	Market Value Attributable as at valuation date *(RMB)*	Market Value for reference (for properties without proper title certificates) as at the valuation date *(RMB)*	Valuation Parameter
35	Project Shijiazhuang New Block Shangfu West	The project is located at the southern side of Jinyuan Road and the western side of No.107 National Highway, Zhengding New District, Shijiazhuang City. It is a residential project which was under construction as at the valuation date.	Hebei	68	768,900,000	738,100,000	—	MCP-AV: 5,600-6,800 MCP-R: 12,000-15,000 MCP-C: 16,000-18,000
36	Project Shijiazhuang New Block Shangfu East	The project is located at the southern side of Jinyuan Road and the western side of No.107 National Highway, Zhengding New District, Shijiazhuang City. It was a parcel of bare land as at the valuation date and will be developed into a residential project.	Hebei	133	444,700,000	426,900,000	—	MCP-AV: 5,600-6,800
37	Project Shijiazhuang Kaiyuan House	The project is located at the northern side of Hengshan Road and the eastern side of Wangquan Street, Zhengding New District, Shijiazhuang City. It is a residential project which was under construction as at the valuation date.	Hebei	69	911,600,000	875,100,000	—	MCP-AV: 8,000-9,200 MCP-R: 14,500-18,500
38	Project Shijiazhuang New Block Yayuan	The project is located in Shangzhuang Town, Luquan District, Shijiazhuang City. As at the valuation date, portions of the property were under construction whilst the remaining portion was bare land held for future development.	Hebei	70 & 134	385,700,000	296,200,000	—	MCP-AV: 2,500-3,200 MCP-R: 12,000-14,500 MCP-C: 16,000-18,000
39	Project Langfang New Block Riverside Garden	The project is located at the southern side of Nanlong Street and the eastern side of Yongxing Road, Langfang City. It is a mid-end residential project developed by 2 phases. As at the valuation date, Phase I of the project was under construction, and Phase II of the project was a parcel of bare land held for future development.	Hebei	71 & 135	2,469,000,000	2,370,300,000	—	MCP-AV: 6,500-7,100 MCP-R: 12,000-14,000 MCP-C: 15,000-17,200

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40	Project Shenyang Jiangshan Elite's Mansion	The project is located at No.80 Xinyunhe Road in Hunnan District, Shenyang City. It is a composite project comprising villas, high-rise residence, retail buildings and car parking spaces, which was under construction as at the valuation date.	Liaoning	72	2,444,900,000	2,347,100,000	—	MCP-AV: 4,300-5,000 MCP-R: 10,600-14,400 MCP-C: 18,400-23,200
41	Project Yancheng Jinhui City Block D	The project is located in Yancheng City. It is a high-rise residential project with commercial units developed in 2 phases. As at the valuation date, portions of the project were completed and held for sale, and portions of the project were under construction whilst the remaining portion was bare land held for future development.	Jiangsu	7 & 73 & 136	331,700,000	318,500,000	—	MCP-AV: 2,600-3,200 MCP-R: 9,500-12,000
42	Project Yancheng Jinhui New Block Garden	The project is located at the eastern side of Huarui Road, Yandu District, Yancheng City. It is a high-rise residential project with commercial units. The project was under construction as at the valuation date.	Jiangsu	74	308,700,000	296,400,000	—	MCP-AV: 2,400-2,900 MCP-R: 7,000-8,000 MCP-C: 12,000-14,500
43	Project Huai'an Jinhui City Square	The project is located at Xiangjiang Road of Huai'an City. The locality is well served by public transportation and there are also some public facilities nearby. As at the valuation date, portions of the project were under construction and the remaining portion was bare land held for future development.	Jiangsu	75 & 137	348,100,000	200,500,000	—	MCP-AV: 1,100-1,400 MCP-R: 7,000-8,500 MAP-CPS: 55,000-70,000
44	Project Huai'an Jinhui City Phase II	The project is located at the southern side of Hepan Road and the eastern side of Guolin Street, Qinghe New District, Huai'an City. It is a mid-end residential development with 6 high-rise buildings. As at the valuation date, Building No. 47 was completed and occupied by the Group whilst the remaining portion of the project was under construction.	Jiangsu	41 & 76	660,200,000	633,800,000	21,600,000	MCP-AV: 1,100-1,400 MCP-R: 5,500-6,500

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45	Project Huai'an Jinhui City Phase III	The project is located at No.11 Hepan Road, Qingjiangpu District. It is a composite project comprising villa, high-rise buildings and commercial units. The project was under construction as at the valuation date.	Jiangsu	77	923,500,000	899,800,000	—	MCP-AV: 1,500-1,800 MCP-R: 6,000-12,000 MCP-C: 11,000-14,000 MCP-CPS: 50,000-60,000
46	Project Huai'an Jinhui Swan Bay	The project is located at the eastern side of Chengde North Road and the southern side of Changjiang East Road, Huai'an City. It is a composite project comprising villa, high-rise buildings and commercial units. Phase I of the project was completed and held for sale and Phase II of the project was under construction as at the valuation date.	Jiangsu	8 & 78	152,300,000	146,200,000	20,700,000	MCP-AV:1,500-1,900 MCP-R: 6,000-7,500 MCP-C: 9,000-13,000
47	Project Huai'an Jinhui Four Seasons Community	The project is located at the western side of Yuxiu Road and the northern side of Mingyuan Road, Huai'an City. It is a mid-end residential project. As at the valuation date, a portion of the project was completed and held for sale, another portion was under construction, whilst the remaining portion was a parcel of bare land held for future development.	Jiangsu	9 & 79 & 138	1,109,900,000	1,065,500,000	37,900,000	MCP-AV: 2,900-3,400 MCP-R: 6,000-7,000 MCP-C: 11,000-13,000
48	Project Huai'an New Block Garden	The project is located at the eastern side of Xingshang Road and the southern side of Jiujiang Road, Huaiyin District, Huai'an City. Transportation network and public facilities in the locality are under further improvement. As at the valuation date, portions of the property were under construction whilst the remaining portion was bare land held for future development.	Jiangsu	80 & 139	211,700,000	203,200,000	—	MCP-AV: 2,100-2,400 MCP-R: 7,500-9,000 MCP-R: 17,000-19,000

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49	Project Huai'an New Block Dongjun	The project is located at the northern side of Xuyang Road and eastern side of Yongxian Road, Huai'an City. The locality is served by good transportation network and adequate public facilities. The project was a parcel of land contracted to be acquired as at the valuation date.	Jiangsu	158	—	—	308,900,000	MCP-AV: 2,500-2,900
50	Project Lianyungang Jinhui Four Seasons Guanlan	The project is located at the eastern side of Xueyuan Road and the northern side of Pingzhu Road, Haizhou District, Lianyungang City. It is a mid-end residential project which was under construction as at the valuation date.	Jiangsu	81	796,500,000	764,600,000	—	MCP-AV: 4,800-5,100 MCP-R: 10,000-14,000 MCP-C: 11,000-13,000 MCP-CPS: 80,000-120,000
51	Project Lianyungang Jinhui Four Seasons	The project is located at the eastern side of Xueyuan Road and the northern side of Pingzhu Road, Haizhou District, Lianyungang City. As at the valuation date, portions of the property were completed and held for sale whilst the remaining portion was occupied by the Group.	Jiangsu	10 & 42	139,000,000	133,400,000	215,800,000	MCP-C: 11,000-13,000 MCP-CPS: 80,000-100,000
52	Project Lianyungang Yunting Riverside	The project is located at the eastern side of Huanhu Road, Economic and Technology Development Area, Lianyungang City. As at the valuation date, portions of the property were under construction whilst the remaining portion was bare land held for future development.	Jiangsu	82 & 140	327,600,000	314,500,000	—	MCP-AV: 2,300-2,700 MCP-R: 19,000-21,000 MCP-CPS: 100,000-120,000
53	Project Xuzhou Xinbu Lanting	The project is located at the northern side of 3rd Ring East Road and the southern side of Baiyun East Road, Economic and Technology Development Area, Xuzhou City. It is planned to be developed into a mid-to-high end residential project with commercial units and car parking spaces. The property was under construction as at the valuation date.	Jiangsu	83	963,300,000	924,800,000	—	MCP-AV: 6,400-6,700 MCP-R: 15,000-18,000 MCP-C: 19,000-21,000 MCP-CPS: 75,000-90,000

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54	Project Xuzhou New Block Riverside	The project is located at No.10 Yongchang Road, Suihe Street, Suining County, Xuzhou City. It is a mid-end residential project comprising villa units, high-rise buildings and commercial units. The project was under construction as at the valuation date.	Jiangsu	84	518,100,000	497,400,000	—	MCP-AV: 2,400-2,800 MCP-R: 6,500-9,500 MCP-C: 13,000-15,000
55	Project Fuzhou Jinhui New Block Garden	The project is located at No.29 Jingxi East Avenue, Jingxi Town, Minhou County, Fuzhou City. The locality is well served by public transportation and there are also some public facilities nearby. It is a residential project which was under construction as at the valuation date.	Fujian	85	659,400,000	633,000,000	—	MCP-AV: 7,100-7,600 MCP-R: 15,000-18,000 MCP-C: 4,000-6,000 MCP-CPS: 120,000-140,000
56	Project Fuzhou Jinhui Lanlinxuan	The project is located in Cangshan District of Fuzhou City. The locality is well served by public transportation and there are also some public facilities nearby. It is a residential project which was under construction as at the valuation date.	Fujian	86	2,470,500,000	2,371,700,000	—	MCP-AV: 11,000-13,400 MCP-R: 26,000-30,000 MCP-C: 25,000-31,000 MCP-CPS: 210,000-230,000
57	Project Fuzhou Huai'an	The project is located in Cangshan District of Fuzhou City. It comprises 4 parcels of land with a total site area of approximately 1,042,136 sq.m. and it will be developed into a large composite development in 4 phases with townhouses, high-rise residential buildings, retail facilities and car parking spaces. As at the valuation date, portions of the project were completed and held for sale whilst the remaining portion was a vacant land parcel for future development.	Fujian	11 & 141	5,965,700,000	3,436,200,000	—	MCP-AV: 10,500-12,000 MCP-R: 21,000-45,000 MCP-C: 19,000-22,000 MCP-CPS: 240,000-280,000
58	Fuzhou Jinhui Mansion	Fuzhou Jinhui Mansion is located in Jin'an District of Fuzhou City. It comprises the 4th floor to the 18th floor and it was completed in 1999. As at the valuation date, the property was held for investment by the Group.	Fujian	31	245,300,000	235,500,000	—	MCP-C: 16,000-20,000 CR-C: 5.5%

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59	Project Fuqing New Block Avenue	The project is located in Longshan Area, Fuqing City. The locality is well served by public transportation and there are also some public facilities nearby. It is a residential project which was under construction as at the valuation date.	Fujian	87	691,500,000	663,800,000	—	MCP-AV: 3,100-3,800 MCP-R: 10,000-12,500 MCP-C: 12,000-14,000 MCP-CPS: 110,000-140,000
60	Project Fuqing Jiangshan Elite's Mansion	The project is located at the northern side of Qingsheng Avenue and the western side of Fuhe Road, Fuqing City. The locality is well served by public transportation and there are also some public facilities nearby. It is a residential project which was under construction as at the valuation date.	Fujian	88	1,648,400,000	616,500,000	—	MCP-AV: 4,900-5,300 MCP-R: 13,000-16,000 MCP-C: 22,000-28,000 MCP-CPS: 180,000-220,000
61	Project Fuqing Guanlan Elite's Mansion	The project is located at the northern side of Dongda Road and the western side of Futong Road, Fuqing City. The locality is well served by public transportation and there are also some public facilities nearby. It is a residential project which was under construction as at the valuation date.	Fujian	89	1,222,100,000	1,173,200,000	—	MCP-AV: 3,200-3,600 MCP-R: 12,000-14,000 MCP-CPS: 150,000-165,000
62	Project Fuqing New Block Academy	The project is located at the western side of Rongkuan Road and the northern side of Yongchang Road, Fuqing City. The locality is well served by public transportation and there are also some public facilities nearby. It is a residential project which was under construction as at the valuation date.	Fujian	90	1,271,800,000	439,500,000	—	MCP-AV: 4,000-4,800 MCP-R: 11,000-13,500 MCP-C: 16,000-21,000 MCP-CPS: 120,000-150,000
63	Project Fuqing New Block Garden	The project is located at Longshan Street, Fuqing City. The locality is a newly developed area where public facilities are under further improvement. The property was under construction as at the valuation date.	Fujian	91	403,100,000	197,400,000	—	MCP-AV: 2,100-2,500 MCP-R: 13,000-16,500 MCP-C: 20,000-21,000 MCP-CPS: 140,000-160,000

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64	Project Fuqing East Elite's Mansion	The project is located at Chuangye Avenue, Fuqing City. The locality is well served by public transportation and there are also some public facilities nearby. It is a residential project which was under construction as at the valuation date.	Fujian	92	175,100,000	85,800,000	—	MCP-AV: 3,500-3,800 MCP-R: 13,000-14,500 MCP-CPS: 120,000-140,000
65	Project Fuqing Zhongyang King's Garden	The project is located at Shizhu Street, Fuqing City.The project was a parcel of land contracted to be acquired as at the valuation date.	Fujian	159	—	—	1,025,900,000	MCP-AV: 4,500-5,800
66	Project Quanzhou Shishi Jinhui City	The project is located at the north-eastern side of Jinsheng Road, Shishi City. It will be developed into a residential project with residential buildings, commercial units, car parking spaces and ancillary facilities. As at the valuation date, portions of the project were under construction, whilst the remaining portion was a vacant land parcel held for future development.	Fujian	93 & 142	2,886,400,000	2,355,300,000	—	MCP-AV: 3,300-3,800 MCP-R: 7,900-8,500 MCP-C: 10,000-14,000 MCP-CPS: 110,000-130,000
67	Project Foshan New Block Avenue	The project is located at Shuikou Village Committee, Beijiao Town, Shunde District, Foshan City, Guangdong Province. The locality of the property is a well-developed residential and commercial area served by adequate public facilities and good transportation network. It is a residential & commercial project developed by 3 phases. As at the valuation date, portions of Phases I and II were sold while the remaining portion was held for sale, and Phase III was under construction.	Guangdong	12 & 94	1,556,200,000	1,493,900,000	—	MCP-AV: 11,000-12,400 MCP-R: 18,000-23,000 MCP-C: 30,000-35,000 MCP-CPS: 160,000-180,000

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68	Project Foshan Lingnan Elite's Mansion	The project is located in Yunjin East Area of Daliang Street, Shunde District, Foshan City. The locality is a well-developed residential and commercial area served by adequate public facilities and good transportation network. It is a residential and commercial project which was under construction as at the valuation date.	Guangdong	95	1,173,100,000	1,126,200,000	—	MCP-AV: 13,500-14,900 MCP-R: 20,000-24,000 MCP-C: 29,000-35,000
69	Project Foshan New Block Academy	The project is located at the southern side of Fuwan School and the northern side of Mingfu Road, Foshan City. The locality is a well-developed residential and commercial area served by adequate public facilities and good transportation network. The property was completed in 2020 and held for sale as at the valuation date.	Guangdong	13	429,200,000	206,000,000	40,000,000	MCP-R: 7,500-8,700
70	Project Foshan Yunjing Garden	The project is located at the eastern side of Zidong Road and the northern side of Huyong Car Parking Lot, Chancheng District, Foshan City. It comprises a parcel of land with a site area of approximately 44,206.74 sq.m., which will be developed into a residential development.	Guangdong	143	1,205,800,000	1,157,600,000	—	MCP-AV: 8,600-9,900
71	Project Foshan Yunzhu Garden	The project is located at the western side of Huyong Avenue in Chancheng District, Foshan City. The transportation network and public facilities in the locality are under further improvement. The project was a parcel of land contracted to be acquired as at the valuation date.	Guangdong	160	—	—	1,616,400,000	MCP-AV: 8,000-8,900

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72	Project Huizhou Dongdi Huayuan	The project is located at Baiyun First Road, Huizhou City. The locality is a newly-developed residential area served with some public facilities. It is a residential and commercial development completed in July 2020, which was held for sale as at the valuation date.	Guangdong	14	846,500,000	812,600,000	8,800,000	MCP-R: 10,000-14,000 MCP-C: 15,000-17,000 MCP-CPS: 90,000-110,000
73	Project Huizhou Jinhui Elegant Pavilion	The project is located at the eastern side of Yingbin Road, Huizhou City. The locality is a newly-developed residential area served with some public facilities. The project is planned to be developed into a residential and commercial development which was under construction as at the valuation date.	Guangdong	96	961,400,000	922,900,000	—	MCP-AV: 3,000-3,600 MCP-R: 11,000-13,000 MCP-C: 15,000-17,000 MCP-CPS: 90,000-105,000
74	Project Huizhou New Block Mansion	The project is located in Gaoling Village, Huiyang District. The locality is a newly-developed residential area served with some public facilities. The property was under construction as at the valuation date.	Guangdong	97	220,700,000	211,900,000	—	MCP-AV: 3,300-3,700 MCP-R: 11,00-13,000 MCP-C: 15,000-17,000 MCP-CPS: 90,000-105,000
75	Project Huizhou Gaoling Phase II	The project is located in Xihu Village, Huizhou City. The property is planned to be developed into a residential development. As at the valuation date, the property comprises 4 parcels of land held for future development.	Guangdong	144	695,000,000	667,200,000	—	MCP-AV: 3,000-3,600
76	Project Chongqing Tianchen Elite's Mansion	The project is located in Shapingba District of Chongqing. The locality is well served by public transportation and there are also some public facilities nearby. The property was under construction as at the valuation date.	Chongqing	98	720,200,000	352,600,000	—	MCP-AV: 7,100-7,400 MCP-R: 13,000-15,000 MCP-C: 19,000-21,000 MCP-CPS: 90,000-105,000

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77	Project Chongqing Jiangshan Elite's Mansion	The project is located in Jiangbei District of Chongqing. The locality is well served by public transportation and there are also some public facilities nearby. As at the valuation date, portions of the property were under construction whilst the remaining portion was bare land for future development.	Chongqing	99 & 145	1,811,800,000	1,043,600,000	—	MCP-AV: 10,900-12,300 MCP-R: 19,000-23,000 MCP-C: 21,000-23,000 MCP-CPS: 150,000-170,000
78	Project Chongqing Zhongyang King's Garden	The project is located at the southern side of Central Park, Yubei District, Chongqing. The locality is a newly developed area where public facilities such as municipal facilities were still under development. It is planned to be developed into a high-end residential project. As at the valuation date, portions of the property were held for sale, portions of the property were under construction and the remaining portion was bare land for future development.	Chongqing	15 & 100 & 146	3,877,000,000	3,721,900,000	—	MCP-AV: 7,200-7,700 MCP-R: 11,000-14,000 MCP-C: 15,000-18,000 MCP-CPS: 120,000-140,000
79	Project Chongqing Yujiang House	The project is located at No. 659 Lanhu Road, Nan'an District. It is a residential project. As at the valuation date, portions of the project were completed and held for sale whilst the remaining portion was under construction.	Chongqing	16 & 101	2,048,800,000	1,966,900,000	—	MCP-AV-R: 7,500-7,900 MCP-AV-C: 5,500-5,900 MCP-R: 13,000-16,500 MCP-C: 22,000-25,000 MCP-CPS:140,000-180,000
80	Project Chongqing Boshe	The project is located at the northern side of Tongyuandao Street, Nan'an District. It is a top-class villa project. As at the valuation date, the property was completed and held for sale.	Chongqing	17	267,200,000	256,500,000	—	MCP-R: 16,000-20,000 MCP-C: 22,000-25,000 MCP-CPS:140,000-180,000
81	Project Chongqing Changjiang King's Garden	The project is located at the eastern side of Nanbin Road, Nan'an District. The locality is well served by public transportation and there are also some public facilities nearby. The property was under construction as at the valuation date.	Chongqing	102	2,283,500,000	2,192,200,000	—	MCP-AV: 5,100-5,800 MCP-R: 18,000-21,000 MCP-C: 14,000-16,000 MCP-CPS:120,000-140,000

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82	Project Chongqing Jinhui City Phase IV	The project is located at the northern side of Tongyuandaozheng Road, Nan'an District. It is a composite project with villa units, residential units and commercial street completed in 2016. As at the valuation date, a portion of the property was held for investment by the Group whilst the remaining portion was completed and held for sale.	Chongqing	18 & 32	766,700,000	736,000,000	—	MCP-R: 18,000-23,000 MCP-C: 19,000-22,000 MCP-CPS:140,000-180,000 Rent-C: 110-118 CR: 6%
83	Project Chongqing Jinhui City Phase V	The project is located at the eastern side of Nantong Road, Nan'an District. It is proposed to be developed into a composite project with residential, office and commercial units as well as car parking spaces. As at the valuation date, a portion of the project was held for investment by the Group whilst the remaining portion was bare land held for future development.	Chongqing	33 & 147	684,900,000	657,500,000	—	MCP-AV: 8,300-8,900
84	Chongqing Jinhui Plaza	The project is located at No. 13 Fenglin Road, Nan'an District, Chongqing. It comprises 5 buildings with office, retail, car parking spaces and ancillary components and was completed in 2015. As at the valuation date, portions of the property were rented to various tenants for commercial and office purposes, whilst the remaining portion (25th and 26th floors) of Building No. 1 was occupied by the Group.	Chongqing	34 & 43	1,170,900,000	1,124,100,000	—	MCP-CPS:150,000-190,000 Rent-C: 185-555 Rent-O: 59-66 CR-C: 6% CR-O: 5.25%

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85	Project Liangping Hushan Elite's Mansion	The project is located at the northern side of Chongqing Liangping Shuangguihu National Wetland Park, the central area of Liangping District. The locality is a newly developed area where public facilities are still under development. It is a mid-to-high end residential project developed by two phases. As at the valuation date, a portion of Phase I was under construction whilst the remaining portion of Phase I and Phase II were bare land.	Chongqing	103 & 148	1,410,200,000	676,900,000	—	MCP-AV: 2,100-2,500 MCP-R: 6,000-7,500 MCP-C: 14,000-16,000 MCP-CPS: 70,000-80,000
86	Project Chongqing Jinhui Elite's Mansion	The project is located in Jiulongpo District, Chongqing. The locality is a residential and commercial area served with public facilities. The property was a parcel of land contracted to be acquired as at the valuation date.	Chongqing	161	—	—	652,400,000	MCP-AV: 11,100-13,500
87	Project Chongqing Jinhui Caiyun Lake	The project is located in Jiulongpo District, Chongqing. The locality is a residential and commercial area served with public facilities. The property was a parcel of land contracted to be acquired as at the valuation date.	Chongqing	162	—	—	1,030,800,000	MCP-AV: 11,000-12,500
88	Project Wuhan Jinhui City	The project is located at the northern side of Fengxi Road and the southern side of Fengming Road, Xiaogan City. The public facilities are being developed in this area. It is proposed to be developed into a residential project in four phases. As at the valuation date, Phases I, II and III were under construction, whilst Phase IV was a parcel of land.	Hubei	104 & 149	907,300,000	871,000,000	—	MCP-AV: 1,000-1,200 MCP-R: 6,200-6,900 MCP-C: 8,000-12,000

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89	Project Wuhan Jiangyue Elite's Mansion	The project is located at the northern side of Tuanjie Avenue and the eastern side of Linkonggang Avenue, Dongxihu District, Wuhan City. The locality is served with adequate public facilities. It is a mid-end residential project developed by 2 phases. As at the valuation date, phase I was under construction and phase II was a parcel of land.	Hubei	105 & 150	5,506,300,000	2,114,400,000	—	MCP-AV: 6,700-7,300 MCP-R: 14,000-17,000 MCP-C: 31,000-33,000
90	Project Wuhan Jiangshan Elite's Mansion	The project is located at the eastern side of Linkonggang Avenue and the northern side of Jinshan Avenue, Dongxihu District. The locality is served by convenient public transportation and there are some public facilities nearby. As at the valuation date, the project was a parcel of land held for future development.	Hubei	151	3,730,200,000	2,327,600,000	—	MCP-AV: 5,500-6,100
91	Project Wuhan New Block Lakeside	The project is located at No.72 Qianjin Avenue, Hengdian Street, Huangpi District. The project is close to Hou Lake and enjoys excellent natural landscape and lake view. As at the valuation date, portions of the property were completed and held for sale whilst the remaining portions were under construction.	Hubei	19 & 106	1,881,800,000	1,806,500,000	—	MCP-AV: 5,500-6,000 MCP-R: 10,000-12,000 MCP-C: 19,000-23,000
92	Project Jingzhou Chuyue Elite's Mansion	The project is located in Shashi District, Jingzhou City. The locality is well served by public transportation and there are also some public facilities nearby. It is a residential project which was under construction as at the valuation date.	Hubei	107	898,800,000	862,800,000	—	MCP-AV: 2,900-3,300 MCP-R: 7,800-8,500 MCP-C: 13,000-15,500

Project No.	Project Name	Brief Description of the Project	Province/ Municipality	Ref. to Property No.	Market Value in existing state as at valuation date *(RMB)*	Market Value Attributable as at valuation date *(RMB)*	Market Value for reference (for properties without proper title certificates) as at the valuation date *(RMB)*	Valuation Parameter
93	Project Changsha Hongtao Jade Bay	The project is located in Kaifu District of Changsha City. The locality is well served by public transportation and there are also some public facilities nearby. It is a residential project developed in 2 phases. As at the valuation date, Phase I was completed and held for sale whilst Phase II was under construction.	Hunan	20 & 108	736,500,000	707,000,000	6,400,000	MCP-AV: 2,000-2,500 MCP-R: 8,000-10,000 MCP-C: 25,000-30,000
94	Project Changsha Xingyu Academy	The project is located in Wangcheng District, Changsha City. The locality is well served by public transportation and there are also some public facilities nearby. It is proposed to be developed into a residential complex. As at the valuation date, a portion of the project was under construction whilst the remaining portion was bare land held for future development.	Hunan	109 & 152	1,066,400,000	1,023,700,000	—	MCP-AV: 2,600-2,900 MCP-R: 7,000-9,000
95	Project Changsha Xingyue Yundi	The project is located in Changsha County, Changsha City. The locality is well served by public transportation and there are also some public facilities nearby. It is proposed to be developed into a residential project which was under construction as at the valuation date.	Hunan	110	1,399,400,000	1,343,400,000	—	MCP-AV: 4,100-4,500 MCP-R: 9,000-12,000 MCP-C: 24,000-27,000
96	Project Changsha Jinhui Weichu Garden	The project is located in Yuelu District, Changsha City. The locality is well served by public transportation and there are also some public facilities nearby. As at the valuation date, a portion of the property was completed and held for sale whilst the remaining portion was under construction.	Hunan	21 & 111	1,381,700,000	1,326,400,000	—	MCP-AV: 3,000-3,400 MCP-R: 10,000-14,000 MCP-C: 23,000-28,000

Project No.	Project Name	Brief Description of the Project	Province/ Municipality	Ref. to Property No.	Market Value in existing state as at valuation date *(RMB)*	Market Value Attributable as at valuation date *(RMB)*	Market Value for reference (for properties without proper title certificates) as at the valuation date *(RMB)*	Valuation Parameter
97	Project Meishan Renshou Jinhui New Block Garden	The project is located at the northeastern side of Wetland Park in the northeastern area of Renshou County, Meishan City. The locality is a newly developed area where public facilities are under further improvement. It is proposed to be developed into a high-end residential project and was under construction as at the valuation date.	Sichuan	112	697,100,000	669,200,000	—	MCP-AV: 4,700-5,000 MCP-R: 8,700-9,500 MCP-C: 23,000-25,000 MCP-CPS: 70,000-90,000
98	Project Hefei New Block Academy	The project is located at the intersection of Ruisi Road and Miaodaoshan Road, Shangpai Town, Feixi County, Hefei City. It is proposed to be developed into a mid-end residential project and was under construction as at the valuation date.	Anhui	113	2,250,900,000	1,512,600,000	—	MCP-AV: 7,000-7,900 MCP-R: 12,000-15,000 MCP-C: 20,000-24,000 MCP-CPS: 55,000-69,000
99	Project Hefei Cloudworld Garden	The project is located at the intersection of Qianyuan Road and Daqiang Road, Baohe District, Hefei City. The project enjoys excellent lake views and is proposed to be developed into a mid-end residential development. As at the valuation date, the property was under construction.	Anhui	114	744,300,000	714,500,000	—	MCP-AV: 15,000-17,700 MCP-R: 20,000-25,000 MCP-CPS: 95,000-110,000
100	Project Hefei Xin'an Garden	The project is located at the intersection of New Anjiang Road and Banta Road, Cuozhen Town, Feidong County, Hefei City. The project is proposed to be developed into a residential development and was under construction as at the valuation date.	Anhui	115	620,700,000	595,900,000	—	MCP-AV: 7,600-8,000 MCP-R: 10,000-15,000 MCP-C: 25,000-32,000 MCP-CPS: 80,000-95,000
101	Project Hefei Xin'an Yayuan	The project is located at the intersection of Dazhong Road and Changlin Road, Cuozhen Town Feidong County, Hefei City. The project is proposed to be developed into a residential development and was under construction as at the valuation date.	Anhui	116	1,308,000,000	1,255,700,000	—	MCP-AV: 7,900-8,100 MCP-R: 15,000-17,000 MCP-C: 24,000-28,000 MCP-CPS: 90,000-95,000

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102	Project Hefei Xizi Garden	The project is located at the intersection of Wangjiang West Road and Jimingshan Road, Hi-Tech Industrial Development Zone, Hefei City. The project is proposed to be developed into a high-rise residential development. As at the valuation date, a portion of the property was completed and held for sale whilst the remaining portion was under construction.	Anhui	22 & 117	117,500,000	25,900,000	—	MCP-CPS: 65,000-90,000
103	Project Xi'an Jinghe Town	The project is located at the southern side of Jinghe New City of Xi Xian New District. It is close to Jinghe Ecological Park and enjoys excellent natural landscape. It is proposed to be developed into a residential project with high-end villas. As at the valuation date, a portion of the property was under construction whilst the remaining portion was bare land held for future development.	Shaanxi	118 & 153	5,947,100,000	5,709,200,000	—	MCP-AV: 1,900-2,400 MCP-R: 7,500-12,000 MCP-C: 9,000-11,000
104	Project Xi'an Academy Mansion	The project is located at the eastern side of Jinghe Overpass and the southern side of Hanyang Avenue West Section, Jinghe New City of Xi Xian New District. It is close to Chongwen Pagoda Scenic Spot with good tourist resources. As at the valuation date, the property was under construction.	Shaanxi	119	615,300,000	590,700,000	—	MCP-AV: 3,500-3,900 MCP-R: 8,500-10,000 MCP-C: 12,000-13,300
105	Project Xi'an New Block Avenue	The project is located at the eastern side of Luyuan Avenue, Gaoling District. The locality is a newly developed area where public facilities are under further improvement. The property was a parcel of land contracted to be acquired as at the valuation date.	Shaanxi	163	—	—	1,694,400,000	MCP-AV: 2,200-2,500

Project No.	Project Name	Brief Description of the Project	Province/ Municipality	Ref. to Property No.	Market Value in existing state as at valuation date *(RMB)*	Market Value Attributable as at valuation date *(RMB)*	Market Value for reference (for properties without proper title certificates) as at the valuation date *(RMB)*	Valuation Parameter
106	Project Xi'an Jinhui World City Upper East Side	The project is located at No. 1026 Gongtian Third Road, the central area of Qujiang New District. It is close to Dayan Pagoda and Tang Paradise scenic area and enjoys excellent natural landscape. As at the valuation date, the property was completed and held for sale.	Shaanxi	23	205,300,000	197,100,000	—	MCP-C: 23,800-28,500 MCP-CPS: 124,000-154,000
107	Project Xi'an Gaoxin Elite's Mansion	The project is located at the western side of Zhangba North Road and the northern side of Keji Road, the border of Lianhua District and Xi'an Hi-tech Industrial Development Zone. It is proposed to be developed into a mid-end residential project which was under construction as at the valuation date.	Shaanxi	120	1,749,900,000	1,679,900,000	—	MCP-AV-R: 3,100-3,900 MCP-AV-C: 2,100-2,800 MCP-R: 14,000-18,500 MCP-C: 15,000-18,000 MCP-CPS: 190,000-220,000
108	Project Xi'an Jinhui Chang'an Elite's Mansion	The project is located at the southern side of Jingning Road and the northern side of Jiancai Street, Chang'an District, Xi'an City. The locality is a newly developed area where public facilities are under further improvement. The property was under construction as at the valuation date.	Shaanxi	121	1,114,200,000	1,069,600,000	—	MCP-AV: 5,500-6,100 MCP-R: 15,000-18,500 MCP-C: 25,000-36,000 MCP-CPS: 130,000-160,000
109	Project Xi'an Jinhui New Block Garden	The project is located at the western side of Hancheng South Road, Xi'an City. The locality is well served by public transportation and there are also some public facilities nearby. The property was under construction as at the valuation date.	Shaanxi	122	612,000,000	587,500,000	—	MCP-AV: 3,100-3,900 MCP-R: 8,600-9,800 MCP-C: 14,200-17,500 MCP-CPS: 130,000-155,000

Project No.	Project Name	Brief Description of the Project	Province/ Municipality	Ref. to Property No.	Market Value in existing state as at valuation date *(RMB)*	Market Value Attributable as at valuation date *(RMB)*	Market Value for reference (for properties without proper title certificates) as at the valuation date *(RMB)*	Valuation Parameter
110	Project Xi'an Jinhui East King's Garden	The project is located at the northern side of Kuangshan Road, the eastern side of Beichen East Road and the western side of Guangyuntan West Road, central area of Chanba Ecological District, Xi'an City. The locality is well served with public facilities. The property was under construction as at the valuation date.	Shaanxi	123	2,934,100,000	2,816,700,000	—	MCP-AV-R: 4,200-4,600 MCP-AV-C: 1,900-2,300 MCP-R: 15,000-20,800 MCP-C: 19,000-23,000 MCP-CPS: 120,000-150,000
111	Project Xi'an Jinhui World City	The project is located at the southern side of South 3rd Ring Road and the western side of Furong West Road, central area of Qujiang New District. It is about 3 kilometers away from Dayan Pagoda and Tang Paradise scenic area and enjoys convenient transportation network. It is a high-end residential project developed by 5 blocks. As at the valuation date, a portion of the property was completed and held for sale, another portion was held for investment by the Group whilst the remaining portion was under construction.	Shaanxi	24 & 35 & 124	7,455,700,000	7,157,500,000	—	MCP-AV-R: 6,300-6,700 MCP-AV-C: 3,000-3,500 MCP-R: 13,900-19,500 MCP-A: 16,200-16,700 MCP-C: 39,300-42,400 MCP-CPS: 139,000-200,000 Rent-C: 165-240 Rent-CPS: 450-550 CR-C: 5.5% CR-CPS: 3%
112	Project Xi'an Jinhui World City Block I/J	The project is located at the southern side of South 3rd Ring Road and the western side of Furong West Road, central area of Qujiang New District. It is about 3 kilometers away from Dayan Pagoda and Tang Paradise scenic area and enjoys convenient transportation network. It is a composite project developed by 2 blocks. As at the valuation date, Block I was under construction whilst Block J was bare land.	Shaanxi	125 & 154	3,102,900,000	2,978,800,000	—	MCP-AV-R: 6,600-7,300 MCP-AV-C: 2,800 -3,300 MCP-R: 14,500-17,000 MCP-C: 38,500-42,000 MCP-CPS: 157,000-195,000

Project No.	Project Name	Brief Description of the Project	Province/ Municipality	Ref. to Property No.	Market Value in existing state as at valuation date *(RMB)*	Market Value Attributable as at valuation date *(RMB)*	Market Value for reference (for properties without proper title certificates) as at the valuation date *(RMB)*	Valuation Parameter
113	Project Xi'an Jinhui Global Plaza	The project is located at the southern side of South 3rd Ring Road and the western side of Furong West Road, central area of Qujiang New District. It is about 3 kilometers away from Dayan Pagoda and Tang Paradise scenic area and enjoys convenient transportation network. It is a composite project developed by 2 phases. As at the valuation date, a portion of the property was completed and held for sale, a portion was held for investment by the Group and the remaining portion was occupied by the Group.	Shaanxi	25 & 36 & 37 & 44	1,771,100,000	1,700,200,000	76,400,000	MCP-C: 33,000-42,500 MCP-O: 16,000-18,000 Rent-C: 185-230 Rent-CPS: 400-600 CR-C: 5.5% CR-O: 5.5% CR-CPS: 3%
114	Xi'an Jinhui Building (International Plaza)	Project Xi'an Radiance Building (International Plaza) is located at No. 22 of Tangyan Road North Section, Lianhu District. It is a 19-storey (plus a 2-storey basement) composite building completed in 2015, which comprises various retail and office units and car parking spaces. As at the valuation date, the property was held for investment by the Group.	Shaanxi	38	477,400,000	458,300,000	5,900,000	Rent-O: 80 - 90 Rent-C: 98 - 175 MCP-CPS: 150,000 -180,000 CR-O: 5.25% CR-C: 5.50%
115	Xi'an Chuangzhi Building	Chuangzhi building is located in Lianhu District, Xi'an City. It is a 20-storey (plus a 2-storey basement) office building completed in 2019, which comprises various retail and office units and car parking spaces. As at the valuation date, the property was held for investment by the Group.	Shaanxi	39	174,700,000	167,700,000	1,700,000	Rent-O: 55-65 Rent-CPS: 400-600 CR-O: 5.25% CR-CPS: 3.5%
116	Project Zhengzhou Binhe Elite's Mansion	The project is located at the southern side of 13 Jingnan Avenue, the northern side of 14 Jingnan Avenue, the eastern side of 16 Jingkai Avenue, and the western of 17 Jingkai Avenue, Jingkai District. It is a middle to high-end residential project which was under construction as at the valuation date.	Henan	126	2,645,700,000	2,539,900,000	—	MCP-AV: 8,900-9,300 MCP-R: 16,000-21,000 MCP-C: 22,000-26,000

Project No.	Project Name	Brief Description of the Project	Province/ Municipality	Ref. to Property No.	Market Value in existing state as at valuation date *(RMB)*	Market Value Attributable as at valuation date *(RMB)*	Market Value for reference (for properties without proper title certificates) as at the valuation date *(RMB)*	Valuation Parameter
117	Project Zhengzhou New Block Garden	The project is located at the southern side of Lianhua Street and the western side of Chuanyang Road, Hi-Tech Industrial Development Zone, Zhengzhou City. It will be developed as mid-end residential community. As at the valuation date, the project was under construction.	Henan	127	976,100,000	937,100,000	—	MCP-AV: 5,300-5,900 MCP-R: 13,000-16,000
118	Project Hangzhou Zizhangtai Apartment	The project is located at the western side of Zhuangdun Road and the northern side of Youcheqiao Road, the eastern side of Lianchi Road and the southern side of Dunyu Road, Xihu District, Hangzhou City. It is a residential project which was under construction as at the valuation date.	Zhejiang	128	5,683,600,000	2,782,700,000	—	MCP-AV: 20,200-21,300 MCP-R: 25,000-28,600 MCP-C: 35,000-43,000
119	Project Chongqing Jinke Jinhui Meiyuan	The project is located at the northern side of Tongkang Road, Beibei District. It is a residential project with villas, residential buildings, commercial units and car parking spaces. A portion of the project was completed in December 2019 and held for sale whilst the remaining portion was under construction as at the valuation date.	Chongqing	26 & 129	2,376,400,000	1,116,900,000	—	MCP-AV: 5,300-5,800 MCP-R: 10,000-14,000 MCP-C: 12,000-16,000 MCP-CPS: 70,000-82,000
120	Project Chongqing Jinke Jinhui Bocui Mountain	The project is located at the southern side of Tongkang Road, Beibei District. It is a residential project with villas, residential buildings, commercial units and car parking spaces. A portion of the project was completed in 2019 and held for sale whilst the remaining portion was under construction as at the valuation date.	Chongqing	27 & 130	937,800,000	440,700,000	—	MCP-AV: 5,100-5,500 MCP-R: 11,000-14,000 MCP-C: 19,000-23,000 MCP-CPS: 80,000-120,000

SUMMARY OF THE CONSTITUTION OF THE COMPANY

1 Memorandum of Association

The Memorandum of Association of the Company was conditionally adopted on October 5, 2020 and states, inter alia, that the liability of the members of the Company is limited, that the objects for which the Company is established are unrestricted and the Company shall have full power and authority to carry out any object not prohibited by the Companies Law or any other law of the Cayman Islands.

The Memorandum of Association is available for inspection at the address specified in Appendix VI in the section headed "Documents available for inspection" in this Prospectus.

2 Articles of Association

The Articles of Association of the Company were conditionally adopted on October 5, 2020 and include provisions to the following effect:

2.1 Classes of Shares

The share capital of the Company consists of ordinary shares. The capital of the Company at the date of adoption of the Articles is HK$380,000 divided into 38,000,000 shares of HK$0.01 each.

2.2 Directors

(a) *Power to allot and issue Shares*

Subject to the provisions of the Companies Law and the Memorandum and Articles of Association, the unissued shares in the Company (whether forming part of its original or any increased capital) shall be at the disposal of the Directors, who may offer, allot, grant options over or otherwise dispose of them to such persons, at such times and for such consideration, and upon such terms, as the Directors shall determine.

Subject to the provisions of the Articles of Association and to any direction that may be given by the Company in general meeting and without prejudice to any special rights conferred on the holders of any existing shares or attaching to any class of shares, any share may be issued with or have attached thereto such preferred, deferred, qualified or other special rights or restrictions, whether in regard to dividend, voting, return of capital or otherwise, and to such persons at such times and for such consideration as the Directors may determine. Subject to the Companies Law and to any special rights conferred on any shareholders or attaching to any class of shares, any share may, with the sanction of a special resolution, be issued on terms that it is, or at the option of the Company or the holder thereof, liable to be redeemed.

(b) *Power to dispose of the assets of the Company or any subsidiary*

The management of the business of the Company shall be vested in the Directors who, in addition to the powers and authorities by the Articles of Association expressly conferred upon them, may exercise all such powers and do all such acts and things as may be exercised or done or approved by the Company and are not by the Articles of Association or the Companies Law expressly directed or required to be exercised or done by the Company in general meeting, but subject nevertheless to the provisions of the Companies Law and of the Articles of Association and to any regulation from time to time made by the Company in general meeting not being inconsistent with such provisions or the Articles of Association, provided that no regulation so made shall invalidate any prior act of the Directors which would have been valid if such regulation had not been made.

(c) *Compensation or payment for loss of office*

Payment to any Director or past Director of any sum by way of compensation for loss of office or as consideration for or in connection with his retirement from office (not being a payment to which the Director is contractually entitled) must first be approved by the Company in general meeting.

(d) *Loans to Directors*

There are provisions in the Articles of Association prohibiting the making of loans to Directors or their respective close associates which are equivalent to the restrictions imposed by the Companies Ordinance.

(e) *Financial assistance to purchase Shares*

Subject to all applicable laws, the Company may give financial assistance to Directors and employees of the Company, its subsidiaries or any holding company or any subsidiary of such holding company in order that they may buy shares in the Company or any such subsidiary or holding company. Further, subject to all applicable laws, the Company may give financial assistance to a trustee for the acquisition of shares in the Company or shares in any such subsidiary or holding company to be held for the benefit of employees of the Company, its subsidiaries, any holding company of the Company or any subsidiary of any such holding company (including salaried Directors).

(f) *Disclosure of interest in contracts with the Company or any of its subsidiaries*

No Director or proposed Director shall be disqualified by his office from contracting with the Company either as vendor, purchaser or otherwise nor shall any such contract or any contract or arrangement entered into by or on behalf of the Company with any person, company or partnership of or in which any Director shall be a member or otherwise interested be capable on that account of being avoided, nor shall any Director so contracting or being any member or so interested be liable to account to the Company for any profit so realized by any such contract or arrangement by reason only of such Director holding that office or the fiduciary relationship thereby established, provided that such Director shall, if his interest in such contract or arrangement is material, declare the nature of his interest at the earliest meeting of the board of Directors at which it is practicable for him to do so, either specifically or by way of a general notice stating that, by reason of the facts specified in the notice, he is to be regarded as interested in any contracts of a specified description which may be made by the Company.

A Director shall not be entitled to vote on (nor shall be counted in the quorum in relation to) any resolution of the Directors in respect of any contract or arrangement or any other proposal in which the Director or any of his close associates (or, if required by the Listing Rules, his other associates) has any material interest, and if he shall do so his vote shall not be counted (nor is he to be counted in the quorum for the resolution), but this prohibition shall not apply to any of the following matters, namely:

(i) the giving to such Director or any of his close associates of any security or indemnity in respect of money lent or obligations incurred or undertaken by him or any of them at the request of or for the benefit of the Company or any of its subsidiaries;

(ii) the giving of any security or indemnity to a third party in respect of a debt or obligation of the Company or any of its subsidiaries for which the Director or any of his close associates has himself/themselves assumed responsibility in whole or in part and whether alone or jointly under a guarantee or indemnity or by the giving of security;

(iii) any proposal concerning an offer of shares, debentures or other securities of or by the Company or any other company which the Company may promote or be interested in for subscription or purchase where the Director or any of his close associates is/are or is/are to be interested as a participant in the underwriting or sub-underwriting of the offer;

(iv) any proposal or arrangement concerning the benefit of employees of the Company or any of its subsidiaries including:

(A) the adoption, modification or operation of any employees' share scheme or any share incentive scheme or share option scheme under which the Director or any of his close associates may benefit; or

(B) the adoption, modification or operation of a pension or provident fund or retirement, death or disability benefits scheme which relates both to Directors, their close associates and employees of the Company or any of its subsidiaries and does not provide in respect of any Director or any of his close associates, as such any privilege or advantage not generally accorded to the class of persons to which such scheme or fund relates; and

(v) any contract or arrangement in which the Director or any of his close associates is/are interested in the same manner as other holders of shares or debentures or other securities of the Company by virtue only of his/their interest in shares or debentures or other securities of the Company.

(g) *Remuneration*

The Directors shall be entitled to receive by way of remuneration for their services such sum as shall from time to time be determined by the Directors, or the Company in general meeting, as the case may be, such sum (unless otherwise directed by the resolution by which it is determined) to be divided amongst the Directors in such proportions and in such manner as they may agree, or failing agreement, equally, except that in such event any Director holding office for less than the whole of the relevant period in respect of which the remuneration is paid shall only rank in such division in proportion to the time during such period for which he has held office. Such remuneration shall be in addition to any other remuneration to which a Director who holds any salaried employment or office in the Company may be entitled by reason of such employment or office.

The Directors shall also be entitled to be paid all expenses, including travel expenses, reasonably incurred by them in or in connection with the performance of their duties as Directors including their expenses of travelling to and from board meetings, committee meetings or general meetings or otherwise incurred whilst engaged on the business of the Company or in the discharge of their duties as Directors.

The Directors may grant special remuneration to any Director who shall perform any special or extra services at the request of the Company. Such special remuneration may be made payable to such Director in addition to or in substitution for his ordinary remuneration as a Director, and may be made payable by way of salary, commission or participation in profits or otherwise as may be agreed.

The remuneration of an executive Director or a Director appointed to any other office in the management of the Company shall from time to time be fixed by the Directors and may be by way of salary, commission or participation in profits or otherwise or by all or any of those modes and with such other benefits (including share option and/or pension and/or gratuity and/or other benefits on retirement) and allowances as the Directors may from time to time decide. Such remuneration shall be in addition to such remuneration as the recipient may be entitled to receive as a Director.

(h) *Retirement, appointment and removal*

The Directors shall have power at any time and from time to time to appoint any person to be a Director, either to fill a casual vacancy or as an addition to the existing Directors. Any Director so appointed shall hold office only until the next general meeting of the Company and shall then be eligible for re-election at that meeting, but shall not be taken into account in determining the number of Directors and which Directors are to retire by rotation at such meeting.

The Company may by ordinary resolution remove any Director (including a Managing Director or other executive Director) before the expiration of his period of office notwithstanding anything in the Articles of Association or in any agreement between the Company and such Director (but without prejudice to any claim for compensation or damages payable to him in respect of the termination of his appointment as Director or of any other appointment of office as a result of the termination of this appointment as Director). The Company may by ordinary resolution appoint another person in his place. Any Director so appointed shall hold office during such time only as the Director in whose place he is appointed would have held the same if he had not been removed.

The Company may also by ordinary resolution elect any person to be a Director, either to fill a casual vacancy or as an addition to the existing Directors. No person shall, unless recommended by the Directors, be eligible for election to the office of Director at any general meeting unless, during the period, which shall be at least seven days, commencing no earlier than the day after the despatch of the notice of the meeting appointed for such election and ending no later than seven days prior to the date of such meeting, there has been given to the Secretary of the Company notice in writing by a member of the Company (not being the person to be proposed) entitled to attend and vote at the meeting for which such notice is given of his intention to propose such person for election and also notice in writing signed by the person to be proposed of his willingness to be elected.

There is no shareholding qualification for Directors nor is there any specified age limit for Directors.

The office of a Director shall be vacated:

(i) if he resigns his office by notice in writing to the Company at its registered office or its principal office in Hong Kong;

(ii) if an order is made by any competent court or official on the grounds that he is or may be suffering from mental disorder or is otherwise incapable of managing his affairs and the Directors resolve that his office be vacated;

(iii) if, without leave, he is absent from meetings of the Directors (unless an alternate Director appointed by him attends) for 12 consecutive months, and the Directors resolve that his office be vacated;

(iv) if he becomes bankrupt or has a receiving order made against him or suspends payment or compounds with his creditors generally;

(v) if he ceases to be or is prohibited from being a Director by law or by virtue of any provision in the Articles of Association;

(vi) if he is removed from office by notice in writing served upon him signed by not less than three-fourths in number (or, if that is not a round number, the nearest lower round number) of the Directors (including himself) for the time being then in office; or

(vii) if he shall be removed from office by an ordinary resolution of the members of the Company under the Articles of Association.

At every annual general meeting of the Company one-third of the Directors for the time being, or, if their number is not three or a multiple of three, then the number nearest to, but not less than, one-third, shall retire from office by rotation, provided that every Director (including those appointed for a specific term) shall be subject to retirement by rotation at least once every three years. A retiring Director shall retain office until the close of the meeting at which he retires and shall be eligible for re-election thereat. The Company at any annual general meeting at which any Directors retire may fill the vacated office by electing a like number of persons to be Directors.

(i) *Borrowing powers*

The Directors may from time to time at their discretion exercise all the powers of the Company to raise or borrow or to secure the payment of any sum or sums of money for the purposes of the

Company and to mortgage or charge its undertaking, property and assets (present and future) and uncalled capital or any part thereof.

(j) *Proceedings of the Board*

The Directors may meet together for the despatch of business, adjourn and otherwise regulate their meetings and proceedings as they think fit in any part of the world. Questions arising at any meeting shall be determined by a majority of votes. In the case of an equality of votes, the chairman of the meeting shall have a second or casting vote.

2.3 Alteration to constitutional documents

No alteration or amendment to the Memorandum or Articles of Association may be made except by special resolution.

2.4 Variation of rights of existing shares or classes of shares

If at any time the share capital of the Company is divided into different classes of shares, all or any of the rights attached to any class of shares for the time being issued (unless otherwise provided for in the terms of issue of the shares of that class) may, subject to the provisions of the Companies Law, be varied or abrogated either with the consent in writing of the holders of not less than three-fourths in nominal value of the issued shares of that class or with the sanction of a special resolution passed at a separate meeting of the holders of the shares of that class. To every such separate meeting all the provisions of the Articles of Association relating to general meetings shall *mutatis mutandis* apply, but so that the quorum for the purposes of any such separate meeting and of any adjournment thereof shall be a person or persons together holding (or representing by proxy or duly authorized representative) at the date of the relevant meeting not less than one-third in nominal value of the issued shares of that class.

The special rights conferred upon the holders of shares of any class shall not, unless otherwise expressly provided in the rights attaching to or the terms of issue of such shares, be deemed to be varied by the creation or issue of further shares ranking *pari passu* therewith.

2.5 Alteration of capital

The Company may, from time to time, whether or not all the shares for the time being authorized shall have been issued and whether or not all the shares for the time being issued shall have been fully paid up, by ordinary resolution, increase its share capital by the creation of new shares, such new capital to be of such amount and to be divided into shares of such respective amounts as the resolution shall prescribe.

The Company may from time to time by ordinary resolution:

(a) consolidate and divide all or any of its share capital into shares of a larger amount than its existing shares. On any consolidation of fully paid shares and division into shares of larger amount, the Directors may settle any difficulty which may arise as they think expedient and in particular (but without prejudice to the generality of the foregoing) may as between the holders of shares to be consolidated determine which particular shares are to be consolidated into each consolidated share, and if it shall happen that any person shall become entitled to fractions of a consolidated share or shares, such fractions may be sold by some person appointed by the Directors for that purpose and the person so appointed may transfer the shares so sold to the purchaser thereof and the validity of such transfer shall not be questioned, and so that the net proceeds of such sale (after deduction of the expenses of such sale) may either be distributed among the persons who would otherwise be entitled to a fraction or fractions of a consolidated share or shares rateably in accordance with their rights and interests or may be paid to the Company for the Company's benefit;

(b) cancel any shares which at the date of the passing of the resolution have not been taken or agreed to be taken by any person, and diminish the amount of its share capital by the amount of the shares so cancelled subject to the provisions of the Companies Law; and

(c) sub-divide its shares or any of them into shares of smaller amount than is fixed by the Memorandum of Association, subject nevertheless to the provisions of the Companies Law, and so that the resolution whereby any share is sub-divided may determine that, as between the holders of the shares resulting from such sub-division, one or more of the shares may have any such preferred or other special rights, over, or may have such deferred rights or be subject to any such restrictions as compared with the others as the Company has power to attach to unissued or new shares.

The Company may by special resolution reduce its share capital or any capital redemption reserve in any manner authorized and subject to any conditions prescribed by the Companies Law.

2.6 Special resolution – majority required

A "special resolution" is defined in the Articles of Association to have the meaning ascribed thereto in the Companies Law, for which purpose, the requisite majority shall be not less than three-fourths of the votes of such members of the Company as, being entitled to do so, vote in person or, in the case of corporations, by their duly authorized representatives or, where proxies are allowed, by proxy at a general meeting of which notice specifying the intention to propose the resolution as a special resolution has been duly given and includes a special resolution approved in writing by all of the members of the Company entitled to vote at a general meeting of the Company in one or more instruments each signed by one or more of such members, and the effective date of the special resolution so adopted shall be the date on which the instrument or the last of such instruments (if more than one) is executed.

In contrast, an "ordinary resolution" is defined in the Articles of Association to mean a resolution passed by a simple majority of the votes of such members of the Company as, being entitled to do so, vote in person or, in the case of corporations, by their duly authorized representatives or, where proxies are allowed, by proxy at a general meeting held in accordance with the Articles of Association and includes an ordinary resolution approved in writing by all the members of the Company aforesaid.

2.7 Voting rights

Subject to any special rights, privileges or restrictions as to voting for the time being attached to any class or classes of shares, at any general meeting on a poll every member present in person (or, in the case of a member being a corporation, by its duly authorized representative) or by proxy shall have one vote for each share registered in his name in the register of members of the Company.

Where any member is, under the Listing Rules, required to abstain from voting on any particular resolution or restricted to voting only for or only against any particular resolution, any votes cast by or on behalf of such member in contravention of such requirement or restriction shall not be counted.

In the case of joint registered holders of any share, any one of such persons may vote at any meeting, either personally or by proxy, in respect of such share as if he were solely entitled thereto; but if more than one of such joint holders be present at any meeting personally or by proxy, that one of the said persons so present being the most or, as the case may be, the more senior shall alone be entitled to vote in respect of the relevant joint holding and, for this purpose, seniority shall be determined by reference to the order in which the names of the joint holders stand on the register in respect of the relevant joint holding.

A member of the Company in respect of whom an order has been made by any competent court or official on the grounds that he is or may be suffering from mental disorder or is otherwise incapable of managing his affairs may vote by any person authorized in such circumstances to do so and such person may vote by proxy.

Save as expressly provided in the Articles of Association or as otherwise determined by the Directors, no person other than a member of the Company duly registered and who shall have paid all sums for the time being due from him payable to the Company in respect of his shares shall be entitled to be present or to vote (save as proxy for another member of the Company), or to be reckoned in a quorum, either personally or by proxy at any general meeting.

At any general meeting a resolution put to the vote of the meeting shall be decided by way of a poll save that the chairman of the meeting may allow a resolution which relates purely to a procedural or administrative matter as prescribed under the Listing Rules to be voted on by a show of hands.

If a recognized clearing house (or its nominee(s)) is a member of the Company it may authorize such person or persons as it thinks fit to act as its proxy(ies) or representative(s) at any general meeting of the Company or at any general meeting of any class of members of the Company provided that, if more than one person is so authorized, the authorization shall specify the number and class of shares in respect of which each such person is so authorized. A person authorized pursuant to this provision shall be entitled to exercise the same rights and powers on behalf of the recognized clearing house (or its nominee(s)) which he represents as that recognized clearing house (or its nominee(s)) could exercise as if it were an individual member of the Company holding the number and class of shares specified in such authorization, including, where a show of hands is allowed, the right to vote individually on a show of hands.

2.8 Annual general meetings and extraordinary general meetings

The Company shall hold a general meeting as its annual general meeting each year, within a period of not more than 15 months after the holding of the last preceding annual general meeting (or such longer period as the Stock Exchange may authorize). The annual general meeting shall be specified as such in the notices calling it.

The board of Directors may, whenever it thinks fit, convene an extraordinary general meeting. General meetings shall also be convened on the written requisition of any one or more members holding together, as at the date of deposit of the requisition, shares representing not less than one-tenth of the paid up capital of the Company which carry the right of voting at general meetings of the Company. The written requisition shall be deposited at the principal office of the Company in Hong Kong or, in the event the Company ceases to have such a principal office, the registered office of the Company, specifying the objects of the meeting and signed by the requisitionist(s). If the Directors do not within 21 days from the date of deposit of the requisition proceed duly to convene the meeting to be held within a further 21 days, the requisitionist(s) themselves or any of them representing more than one-half of the total voting rights of all of them, may convene the general meeting in the same manner, as nearly as possible, as that in which meetings may be convened by the Directors provided that any meeting so convened shall not be held after the expiration of three months from the date of deposit of the requisition, and all reasonable expenses incurred by the requisitionist(s) as a result of the failure of the Directors shall be reimbursed to them by the Company.

2.9 Accounts and audit

The Directors shall cause to be kept such books of account as are necessary to give a true and fair view of the state of the Company's affairs and to show and explain its transactions and otherwise in accordance with the Companies Law.

The Directors shall from time to time determine whether, and to what extent, and at what times and places and under what conditions or regulations, the accounts and books of the Company, or any of them, shall be open to the inspection by members of the Company (other than officers of the Company) and no such member shall have any right of inspecting any accounts or books or documents of the Company except as conferred by the Companies Law or any other relevant law or regulation or as authorized by the Directors or by the Company in general meeting.

The Directors shall, commencing with the first annual general meeting, cause to be prepared and to be laid before the members of the Company at every annual general meeting a profit and loss account for the period, in the case of the first account, since the incorporation of the Company and, in any other case, since the preceding account, together with a balance sheet as at the date to which the profit and loss account is made up and a Director's report with respect to the profit or loss of the Company for the period covered by the profit and loss account and the state of the Company's affairs as at the end of such period, an auditor's report on such accounts and such other reports and accounts as may be required by law. Copies of those documents to be laid before the members of the Company at an annual general meeting shall not less than 21 days before the date of the meeting, be sent in the manner in which notices may be served by the Company as provided in the Articles of Association to every member of the Company and every holder of debentures of the Company provided that the Company shall not be required to send copies of those documents to any person of whose address the Company is not aware or to more than one of the joint holders of any shares or debentures.

2.10 Auditors

The Company shall at every annual general meeting appoint an auditor or auditors of the Company who shall hold office until the next annual general meeting. The removal of an auditor before the expiration of his period of office shall require the approval of an ordinary resolution of the members in general meeting. The remuneration of the auditors shall be fixed by the Company at the annual general meeting at which they are appointed provided that in respect of any particular year the Company in general meeting may delegate the fixing of such remuneration to the Directors.

2.11 Notice of meetings and business to be conducted thereat

An annual general meeting shall be called by not less than 21 days' notice in writing and any extraordinary general meeting shall be called by not less than 14 days' notice in writing. The notice shall be exclusive of the day on which it is served or deemed to be served and of the day for which it is given, and shall specify the time, place and agenda of the meeting, particulars of the resolutions and the general nature of the business to be considered at the meeting. The notice convening an annual general meeting shall specify the meeting as such, and the notice convening a meeting to pass a special resolution shall specify the intention to propose the resolution as a special resolution. Notice of every general meeting shall be given to the auditors and all members of the Company (other than those who, under the provisions of the Articles of Association or the terms of issue of the shares they hold, are not entitled to receive such notice from the Company).

Notwithstanding that a meeting of the Company is called by shorter notice than that mentioned above, it shall be deemed to have been duly called if it is so agreed:

(a) in the case of a meeting called as an annual general meeting, by all members of the Company entitled to attend and vote thereat or their proxies; and

(b) in the case of any other meeting, by a majority in number of the members having a right to attend and vote at the meeting, being a majority together holding not less than 95% in nominal value of the shares giving that right.

If, after the notice of a general meeting has been sent but before the meeting is held, or after the adjournment of a general meeting but before the adjourned meeting is held (whether or not notice of the adjourned meeting is required), the Directors, in their absolute discretion, consider that it is impractical or unreasonable for any reason to hold a general meeting on the date or at the time and place specified in the notice calling such meeting, it may change or postpone the meeting to another date, time and place.

The Directors also have the power to provide in every notice calling a general meeting that in the event of a gale warning or a black rainstorm warning is in force at any time on the day of the general meeting (unless such warning is cancelled at least a minimum period of time prior to the general meeting as the Directors may specify in the relevant notice), the meeting shall be postponed without further notice to be reconvened on a later date. Where a general meeting is so postponed, the Company shall endeavor to cause a notice of such postponement to be placed on the Company's website and published on the Stock Exchange's website as soon as practicable, but failure to place or publish such notice shall not affect the automatic postponement of such meeting.

Where a general meeting is postponed:

(a) the Directors shall fix the date, time and place for the reconvened meeting and at least seven clear days' notice shall be given for the reconvened meeting; and such notice shall specify the date, time and place at which the postponed meeting will be reconvened and the date and time by which proxies shall be submitted in order to be valid at such reconvened meeting (provided that any proxy submitted for the original meeting shall continue to be valid for the reconvened meeting unless revoked or replaced by a new proxy); and

(b) notice of the business to be transacted at the reconvened meeting shall not be required, nor shall any accompanying documents be required to be recirculated, provided that the business to be transacted at the reconvened meeting is the same as that set out in the notice of the original meeting circulated to the members of the Company.

2.12 Transfer of shares

Transfers of shares may be effected by an instrument of transfer in the usual common form or in such other form as the Directors may approve which is consistent with the standard form of transfer as prescribed by the Stock Exchange.

The instrument of transfer shall be executed by or on behalf of the transferor and, unless the Directors otherwise determine, the transferee, and the transferor shall be deemed to remain the holder of the share until the name of the transferee is entered in the register of members of the Company in respect thereof. All instruments of transfer shall be retained by the Company.

The Directors may refuse to register any transfer of any share which is not fully paid up or on which the Company has a lien. The Directors may also decline to register any transfer of any shares unless:

(a) the instrument of transfer is lodged with the Company accompanied by the certificate for the shares to which it relates (which shall upon the registration of the transfer be cancelled) and such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer;

(b) the instrument of transfer is in respect of only one class of shares;

(c) the instrument of transfer is properly stamped (in circumstances where stamping is required);

(d) in the case of a transfer to joint holders, the number of joint holders to whom the share is to be transferred does not exceed four;

(e) the shares concerned are free of any lien in favor of the Company; and

(f) a fee of such amount not exceeding the maximum amount as the Stock Exchange may from time to time determine to be payable (or such lesser sum as the Directors may from time to time require) is paid to the Company in respect thereof.

If the Directors refuse to register a transfer of any share they shall, within two months after the date on which the transfer was lodged with the Company, send to each of the transferor and the transferee notice of such refusal.

The registration of transfers may, on 10 business days' notice (or on 6 business days' notice in the case of a rights issue) being given by advertisement published on the Stock Exchange's website, or, subject to the Listing Rules, by electronic communication in the manner in which notices may be served by the Company by electronic means as provided in the Articles of Association or by advertisement published in the newspapers, be suspended and the register of members of the Company closed at such times for such periods as the Directors may from time to time determine, provided that the registration of transfers shall not be suspended or the register closed for more than 30 days in any year (or such longer period as the members of the Company may by ordinary resolution determine provided that such period shall not be extended beyond 60 days in any year).

2.13 Power of the Company to purchase its own shares

The Company is empowered by the Companies Law and the Articles of Association to purchase its own shares subject to certain restrictions and the Directors may only exercise this power on behalf of the Company subject to the authority of its members in general meeting as to the manner in which they do so and to any applicable requirements imposed from time to time by the Stock Exchange and the Securities and Futures Commission of Hong Kong. Shares which have been repurchased will be treated as cancelled upon the repurchase.

2.14 Power of any subsidiary of the Company to own shares

There are no provisions in the Articles of Association relating to the ownership of shares by a subsidiary.

2.15 Dividends and other methods of distribution

Subject to the Companies Law and the Articles of Association, the Company in general meeting may declare dividends in any currency but no dividends shall exceed the amount recommended by the Directors. No dividend may be declared or paid other than out of profits and reserves of the Company lawfully available for distribution, including share premium.

Unless and to the extent that the rights attached to any shares or the terms of issue thereof otherwise provide, all dividends shall (as regards any shares not fully paid throughout the period in respect of which the dividend is paid) be apportioned and paid pro rata according to the amounts paid up on the shares during any portion or portions of the period in respect of which the dividend is paid. For these purposes no amount paid up on a share in advance of calls shall be treated as paid up on the share.

The Directors may from time to time pay to the members of the Company such interim dividends as appear to the Directors to be justified by the profits of the Company. The Directors may also pay half-yearly or at other intervals to be selected by them any dividend which may be payable at a fixed rate if they are of the opinion that the profits available for distribution justify the payment.

The Directors may retain any dividends or other monies payable on or in respect of a share upon which the Company has a lien, and may apply the same in or towards satisfaction of the debts, liabilities or engagements in respect of which the lien exists. The Directors may also deduct from any dividend or other monies payable to any member of the Company all sums of money (if any) presently payable by him to the Company on account of calls, instalments or otherwise.

No dividend shall carry interest against the Company.

Whenever the Directors or the Company in general meeting have resolved that a dividend be paid or declared on the share capital of the Company, the Directors may further resolve: (a) that such dividend be satisfied wholly or in part in the form of an allotment of shares credited as fully paid up on the basis that the shares so allotted are to be of the same class as the class already held by the allottee, provided that the members of the Company entitled thereto will be entitled to elect to receive such dividend (or part thereof) in cash in lieu of such allotment; or (b) that the members of the Company entitled to such dividend will be entitled to elect to receive an allotment of shares credited as fully paid up in lieu of the whole or such part of the dividend as the Directors may think fit on the basis that the shares so allotted are to be of the same class as the class already held by the allottee. The Company may upon the recommendation of the Directors by ordinary resolution resolve in respect of any one particular dividend of the Company that notwithstanding the foregoing a dividend may be satisfied wholly in the form of an allotment of shares credited as fully paid without offering any right to members of the Company to elect to receive such dividend in cash in lieu of such allotment.

Any dividend, interest or other sum payable in cash to a holder of shares may be paid by cheque or warrant sent through the post addressed to the registered address of the member of the Company entitled, or in the case of joint holders, to the registered address of the person whose name stands first in the register of members of the Company in respect of the joint holding or to such person and to such address as the holder or joint holders may in writing direct. Every cheque or warrant so sent shall be made payable to the order of the holder or, in the case of joint holders, to the order of the holder whose name stands first on the register of members of the Company in respect of such shares, and shall be sent at his or their risk and the payment of any such cheque or warrant by the bank on which it is drawn shall operate as a good discharge to the Company in respect of the dividend and/or bonus represented thereby, notwithstanding that it may subsequently appear that the same has been stolen or that any endorsement thereon has been forged. The Company may cease sending such cheques for dividend entitlements or dividend warrants by post if such cheques or warrants have been left uncashed on two consecutive occasions. However, the Company may exercise its power to cease sending cheques for dividend entitlements or dividend warrants after the first occasion on which such a cheque or warrant is returned undelivered. Any one of two or more joint holders may give effectual receipts for any dividends or other monies payable or property distributable in respect of the shares held by such joint holders.

Any dividend unclaimed for six years from the date of declaration of such dividend may be forfeited by the Directors and shall revert to the Company.

The Directors may, with the sanction of the members of the Company in general meeting, direct that any dividend be satisfied wholly or in part by the distribution of specific assets of any kind, and in particular of paid up shares, debentures or warrants to subscribe securities of any other company, and where any difficulty arises in regard to such distribution the Directors may settle it as they think expedient, and in particular may disregard fractional entitlements, round the same up or down or provide that the same shall accrue to the benefit of the Company, and may fix the value for distribution of such specific assets and may determine that cash payments shall be made to any members of the Company upon the footing of the value so fixed in order to adjust the rights of all parties, and may vest any such specific assets in trustees as may seem expedient to the Directors.

2.16 Proxies

Any member of the Company entitled to attend and vote at a meeting of the Company shall be entitled to appoint another person who must be an individual as his proxy to attend and vote instead of him and a proxy so appointed shall have the same right as the member to speak at the meeting. A proxy need not be a member of the Company.

Instruments of proxy shall be in common form or in such other form as the Directors may from time to time approve provided that it shall enable a member to instruct his proxy to vote in favor of or against (or in default of instructions or in the event of conflicting instructions, to exercise his discretion in respect of) each resolution to be proposed at the meeting to which the form of proxy relates. The instrument of proxy shall be deemed to confer authority to vote on any amendment of a resolution put to the meeting for which it is given as the proxy thinks fit. The instrument of proxy shall, unless the contrary is stated therein, be valid as well for any adjournment of the meeting as for the meeting to which it relates provided that the meeting was originally held within 12 months from such date.

The instrument appointing a proxy shall be in writing under the hand of the appointor or his attorney authorized in writing or if the appointor is a corporation either under its seal or under the hand of an officer, attorney or other person authorized to sign the same.

The instrument appointing a proxy and (if required by the Directors) the power of attorney or other authority (if any) under which it is signed, or a notarially certified copy of such power or authority, shall be delivered at the registered office of the Company (or at such other place as may be specified in the notice convening the meeting or in any notice of any adjournment or, in either case, in any document sent therewith) not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote or, in the case of a poll taken subsequently to the date of a meeting or adjourned meeting, not less than 48 hours before the time appointed for the taking of the poll and in default the instrument of proxy shall not be treated as valid. No instrument appointing a proxy shall be valid after the expiration of 12 months from the date named in it as the date of its execution. Delivery of any instrument appointing a proxy shall not preclude a member of the Company from attending and voting in person at the meeting or poll concerned and, in such event, the instrument appointing a proxy shall be deemed to be revoked.

2.17 Calls on shares and forfeiture of shares

The Directors may from time to time make calls upon the members of the Company in respect of any monies unpaid on their shares (whether on account of the nominal amount of the shares or by way of premium or otherwise) and not by the conditions of allotment thereof made payable at fixed times and each member of the Company shall (subject to the Company serving upon him at least 14 days' notice specifying the time and place of payment and to whom such payment shall be made) pay to the person at the time and place so specified the amount called on his shares. A call may be revoked or postponed as the Directors may determine. A person upon whom a call is made shall remain liable on such call notwithstanding the subsequent transfer of the shares in respect of which the call was made.

A call may be made payable either in one sum or by instalments and shall be deemed to have been made at the time when the resolution of the Directors authorizing the call was passed. The joint holders of a share shall be jointly and severally liable to pay all calls and instalments due in respect of such share or other monies due in respect thereof.

If a sum called in respect of a share shall not be paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest on the sum from the day appointed for payment thereof to the time of actual payment at such rate, not exceeding 15% per annum, as the Directors may determine, but the Directors shall be at liberty to waive payment of such interest wholly or in part.

If any call or instalment of a call remains unpaid on any share after the day appointed for payment thereof, the Directors may at any time during such time as any part thereof remains unpaid serve a notice on the holder of such shares requiring payment of so much of the call or instalment as is unpaid together with any interest which may be accrued and which may still accrue up to the date of actual payment.

The notice shall name a further day (not being less than 14 days from the date of service of the notice) on or before which, and the place where, the payment required by the notice is to be made, and shall state that in the event of non-payment at or before the time and at the place appointed, the shares in respect of which such call was made or instalment is unpaid will be liable to be forfeited.

If the requirements of such notice are not complied with, any share in respect of which such notice has been given may at any time thereafter, before payment of all calls or instalments and interest due in respect thereof has been made, be forfeited by a resolution of the Directors to that effect. Such forfeiture shall include all dividends and bonuses declared in respect of the forfeited shares and not actually paid before the forfeiture. A forfeited share shall be deemed to be the property of the Company and may be re-allotted, sold or otherwise disposed of.

A person whose shares have been forfeited shall cease to be a member of the Company in respect of the forfeited shares but shall, notwithstanding the forfeiture, remain liable to pay to the Company all monies which at the date of forfeiture were payable by him to the Company in respect of the shares, together with (if the Directors shall in their discretion so require) interest thereon at such rate not exceeding 15% per annum as the Directors may prescribe from the date of forfeiture until payment, and the Directors may enforce payment thereof without being under any obligation to make any allowance for the value of the shares forfeited, at the date of forfeiture.

2.18 Inspection of register of members

The register of members of the Company shall be kept in such manner as to show at all times the members of the Company for the time being and the shares respectively held by them. The register may, on 10 business days' notice (or on 6 business days' notice in the case of a rights issue) being given by advertisement published on the Stock Exchange's website, or, subject to the Listing Rules, by electronic communication in the manner in which notices may be served by the Company by electronic means as provided in the Articles of Association or by advertisement published in the newspapers, be closed at such times and for such periods as the Directors may from time to time determine either generally or in respect of any class of shares, provided that the register shall not be closed for more than 30 days in any year (or such longer period as the members of the Company may by ordinary resolution determine provided that such period shall not be extended beyond 60 days in any year).

Any register of members kept in Hong Kong shall during normal business hours (subject to such reasonable restrictions as the Directors may impose) be open to inspection by any member of the Company without charge and by any other person on payment of a fee of such amount not exceeding the maximum amount as may from time to time be permitted under the Listing Rules as the Directors may determine for each inspection.

2.19 Quorum for meetings and separate class meetings

No business shall be transacted at any general meeting unless a quorum is present when the meeting proceeds to business, but the absence of a quorum shall not preclude the appointment, choice or election of a chairman which shall not be treated as part of the business of the meeting.

Two members of the Company present in person or by proxy shall be a quorum provided always that if the Company has only one member of record the quorum shall be that one member present in person or by proxy.

A corporation being a member of the Company shall be deemed for the purpose of the Articles of Association to be present in person if represented by its duly authorized representative being the person appointed by resolution of the directors or other governing body of such corporation or by power of attorney to act as its representative at the relevant general meeting of the Company or at any relevant general meeting of any class of members of the Company.

The quorum for a separate general meeting of the holders of a separate class of shares of the Company is described in paragraph 2.4 above.

2.20 Rights of minorities in relation to fraud or oppression

There are no provisions in the Articles of Association concerning the rights of minority shareholders in relation to fraud or oppression.

2.21 Procedure on liquidation

If the Company shall be wound up, and the assets available for distribution amongst the members of the Company as such shall be insufficient to repay the whole of the paid-up capital, such assets shall be distributed so that, as nearly as may be, the losses shall be borne by the members of the Company in proportion to the capital paid up, or which ought to have been paid up, at the commencement of the winding up on the shares held by them respectively. If in a winding up the assets available for distribution amongst the members of the Company shall be more than sufficient to repay the whole of the capital paid up at the commencement of the winding up, the excess shall be distributed amongst the members of the Company in proportion to the capital paid up at the commencement of the winding up on the shares held by them respectively. The foregoing is without prejudice to the rights of the holders of shares issued upon special terms and conditions.

If the Company shall be wound up, the liquidator may with the sanction of a special resolution of the Company and any other sanction required by the Companies Law, divide amongst the members of the

Company in specie or kind the whole or any part of the assets of the Company (whether they shall consist of property of the same kind or not) and may, for such purpose, set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members of the Company. The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the members of the Company as the liquidator, with the like sanction and subject to the Companies Law, shall think fit, but so that no member of the Company shall be compelled to accept any assets, shares or other securities in respect of which there is a liability.

2.22 Untraceable members

The Company shall be entitled to sell any shares of a member of the Company or the shares to which a person is entitled by virtue of transmission on death or bankruptcy or operation of law if: (a) all cheques or warrants, not being less than three in number, for any sums payable in cash to the holder of such shares have remained uncashed for a period of 12 years; (b) the Company has not during that time or before the expiry of the three month period referred to in (d) below received any indication of the whereabouts or existence of the member; (c) during the 12 year period, at least three dividends in respect of the shares in question have become payable and no dividend during that period has been claimed by the member; and (d) upon expiry of the 12 year period, the Company has caused an advertisement to be published in the newspapers or subject to the Listing Rules, by electronic communication in the manner in which notices may be served by the Company by electronic means as provided in the Articles of Association, giving notice of its intention to sell such shares and a period of three months has elapsed since such advertisement and the Stock Exchange has been notified of such intention. The net proceeds of any such sale shall belong to the Company and upon receipt by the Company of such net proceeds it shall become indebted to the former member for an amount equal to such net proceeds.

SUMMARY OF CAYMAN ISLANDS COMPANY LAW AND TAXATION

1 Introduction

The Companies Law is derived, to a large extent, from the older Companies Acts of England, although there are significant differences between the Companies Law and the current Companies Act of England. Set out below is a summary of certain provisions of the Companies Law, although this does not purport to contain all applicable qualifications and exceptions or to be a complete review of all matters of corporate law and taxation which may differ from equivalent provisions in jurisdictions with which interested parties may be more familiar.

2 Incorporation

The Company was incorporated in the Cayman Islands as an exempted company with limited liability on October 17, 2019 under the Companies Law. As such, its operations must be conducted mainly outside the Cayman Islands. The Company is required to file an annual return each year with the Registrar of Companies of the Cayman Islands and pay a fee which is based on the size of its authorized share capital.

3 Share Capital

The Companies Law permits a company to issue ordinary shares, preference shares, redeemable shares or any combination thereof.

The Companies Law provides that where a company issues shares at a premium, whether for cash or otherwise, a sum equal to the aggregate amount of the value of the premia on those shares shall be transferred to an account called the "share premium account". At the option of a company, these provisions may not apply to premia on shares of that company allotted pursuant to any arrangement in consideration of the acquisition or cancellation of shares in any other company and issued at a premium. The Companies Law provides that the share premium account may be applied by a company, subject to the provisions, if any, of its memorandum and articles of association, in such manner as the company may from time to time determine including, but without limitation:

(a) paying distributions or dividends to members;

(b) paying up unissued shares of the company to be issued to members as fully paid bonus shares;

(c) in the redemption and repurchase of shares (subject to the provisions of section 37 of the Companies Law);

(d) writing-off the preliminary expenses of the company;

(e) writing-off the expenses of, or the commission paid or discount allowed on, any issue of shares or debentures of the company; and

(f) providing for the premium payable on redemption or purchase of any shares or debentures of the company.

No distribution or dividend may be paid to members out of the share premium account unless immediately following the date on which the distribution or dividend is proposed to be paid the company will be able to pay its debts as they fall due in the ordinary course of business.

The Companies Law provides that, subject to confirmation by the Grand Court of the Cayman Islands, a company limited by shares or a company limited by guarantee and having a share capital may, if so authorized by its articles of association, by special resolution reduce its share capital in any way.

Subject to the detailed provisions of the Companies Law, a company limited by shares or a company limited by guarantee and having a share capital may, if so authorized by its articles of association, issue shares which are to be redeemed or are liable to be redeemed at the option of the company or a shareholder. In addition, such a company may, if authorized to do so by its articles of association, purchase its own shares, including any redeemable shares. The manner of such a purchase must be authorized either by the articles of association or by an ordinary resolution of the company. The articles of association may provide that the manner of purchase may be determined by the directors of the company. At no time may a company redeem or purchase its shares unless they are fully paid. A company may not redeem or purchase any of its shares if, as a result of the redemption or purchase, there would no longer be any member of the company holding shares. A payment out of capital by a company for the redemption or purchase of its own shares is not lawful unless immediately following the date on which the payment is proposed to be made, the company shall be able to pay its debts as they fall due in the ordinary course of business.

There is no statutory restriction in the Cayman Islands on the provision of financial assistance by a company for the purchase of, or subscription for, its own or its holding company's shares. Accordingly, a company may provide financial assistance if the directors of the company consider, in discharging their duties of care and to act in good faith, for a proper purpose and in the interests of the company, that such assistance can properly be given. Such assistance should be on an arm's-length basis.

4 Dividends and Distributions

With the exception of section 34 of the Companies Law, there are no statutory provisions relating to the payment of dividends. Based upon English case law which is likely to be persuasive in the Cayman Islands in this area, dividends may be paid only out of profits. In addition, section 34 of the Companies Law permits, subject to a solvency test and the provisions, if any, of the company's memorandum and articles of association, the payment of dividends and distributions out of the share premium account (see paragraph 3 above for details).

5 Shareholders' Suits

The Cayman Islands courts can be expected to follow English case law precedents. The rule in *Foss v. Harbottle* (and the exceptions thereto which permit a minority shareholder to commence a class action against or derivative actions in the name of the company to challenge (a) an act which is *ultra vires* the company or illegal, (b) an act which constitutes a fraud against the minority where the wrongdoers are themselves in control of the company, and (c) an action which requires a resolution with a qualified (or special) majority which has not been obtained) has been applied and followed by the courts in the Cayman Islands.

6 Protection of Minorities

In the case of a company (not being a bank) having a share capital divided into shares, the Grand Court of the Cayman Islands may, on the application of members holding not less than one-fifth of the shares of the company in issue, appoint an inspector to examine into the affairs of the company and to report thereon in such manner as the Grand Court shall direct.

Any shareholder of a company may petition the Grand Court of the Cayman Islands which may make a winding up order if the court is of the opinion that it is just and equitable that the company should be wound up.

Claims against a company by its shareholders must, as a general rule, be based on the general laws of contract or tort applicable in the Cayman Islands or their individual rights as shareholders as established by the company's memorandum and articles of association.

The English common law rule that the majority will not be permitted to commit a fraud on the minority has been applied and followed by the courts of the Cayman Islands.

7 Disposal of Assets

The Companies Law contains no specific restrictions on the powers of directors to dispose of assets of a company. As a matter of general law, in the exercise of those powers, the directors must discharge their duties of care and to act in good faith, for a proper purpose and in the interests of the company.

8 Accounting and Auditing Requirements

The Companies Law requires that a company shall cause to be kept proper books of account with respect to:

(a) all sums of money received and expended by the company and the matters in respect of which the receipt and expenditure takes place;

(b) all sales and purchases of goods by the company; and

(c) the assets and liabilities of the company.

Proper books of account shall not be deemed to be kept if there are not kept such books as are necessary to give a true and fair view of the state of the company's affairs and to explain its transactions.

9 Register of Members

An exempted company may, subject to the provisions of its articles of association, maintain its principal register of members and any branch registers at such locations, whether within or without the Cayman Islands, as its directors may from time to time think fit. There is no requirement under the Companies Law for an exempted company to make any returns of members to the Registrar of Companies of the Cayman Islands. The names and addresses of the members are, accordingly, not a matter of public record and are not available for public inspection.

10 Inspection of Books and Records

Members of a company will have no general right under the Companies Law to inspect or obtain copies of the register of members or corporate records of the company. They will, however, have such rights as may be set out in the company's articles of association.

11 Special Resolutions

The Companies Law provides that a resolution is a special resolution when it has been passed by a majority of at least two-thirds of such members as, being entitled to do so, vote in person or, where proxies are allowed, by proxy at a general meeting of which notice specifying the intention to propose the resolution as a special resolution has been duly given, except that a company may in its articles of association specify that the required majority shall be a number greater than two-thirds, and may additionally so provide that such majority (being not less than two-thirds) may differ as between matters required to be approved by a special resolution. Written resolutions signed by all the members entitled to vote for the time being of the company may take effect as special resolutions if this is authorized by the articles of association of the company.

12 Subsidiary Owning Shares in Parent

The Companies Law does not prohibit a Cayman Islands company acquiring and holding shares in its parent company provided its objects so permit. The directors of any subsidiary making such acquisition must discharge their duties of care and to act in good faith, for a proper purpose and in the interests of the subsidiary.

13 Mergers and Consolidations

The Companies Law permits mergers and consolidations between Cayman Islands companies and between Cayman Islands companies and non-Cayman Islands companies. For these purposes, (a) "merger" means the merging of two or more constituent companies and the vesting of their undertaking, property and liabilities in one of such companies as the surviving company, and (b) "consolidation" means the combination of two or more constituent companies into a consolidated company and the vesting of the undertaking, property and liabilities of such companies to the consolidated company. In order to effect such a merger or consolidation, the directors of each constituent company must approve a written plan of merger or consolidation, which must then be authorized by (a) a special resolution of each constituent company and (b) such other authorization, if any, as may be specified in such constituent company's articles of association. The written plan of merger or consolidation must be filed with the Registrar of Companies of the Cayman Islands together with a declaration as to the solvency of the consolidated or surviving company, a list of the assets and liabilities of each constituent company and an undertaking that a copy of the certificate of merger or consolidation will be given to the members and creditors of each constituent company and that notification of the merger or consolidation will be published in the Cayman Islands Gazette. Dissenting shareholders have the right to be paid the fair value of their shares (which, if not agreed between the parties, will be determined by the Cayman Islands court) if they follow the required procedures, subject to certain exceptions. Court approval is not required for a merger or consolidation which is effected in compliance with these statutory procedures.

14 Reconstructions

There are statutory provisions which facilitate reconstructions and amalgamations approved by a majority in number representing 75% in value of shareholders or creditors, depending on the circumstances, as are present at a meeting called for such purpose and thereafter sanctioned by the Grand Court of the Cayman Islands. Whilst a dissenting shareholder would have the right to express to the Grand Court his view that the transaction for which approval is sought would not provide the shareholders with a fair value for their shares, the Grand Court is unlikely to disapprove the transaction on that ground alone in the absence of evidence of fraud or bad faith on behalf of management and if the transaction were approved and consummated the dissenting shareholder would have no rights comparable to the appraisal rights (i.e. the right to receive payment in cash for the judicially determined value of his shares) ordinarily available, for example, to dissenting shareholders of United States corporations.

15 Take-overs

Where an offer is made by a company for the shares of another company and, within four months of the offer, the holders of not less than 90% of the shares which are the subject of the offer accept, the offeror may at any time within two months after the expiration of the said four months, by notice require the dissenting shareholders to transfer their shares on the terms of the offer. A dissenting shareholder may apply to the Grand Court of the Cayman Islands within one month of the notice objecting to the transfer. The burden is on the dissenting shareholder to show that the Grand Court should exercise its discretion, which it will be unlikely to do unless there is evidence of fraud or bad faith or collusion as between the offeror and the holders of the shares who have accepted the offer as a means of unfairly forcing out minority shareholders.

16 Indemnification

Cayman Islands law does not limit the extent to which a company's articles of association may provide for indemnification of officers and directors, except to the extent any such provision may be held by the Cayman Islands courts to be contrary to public policy (e.g. for purporting to provide indemnification against the consequences of committing a crime).

17 Liquidation

A company may be placed in liquidation compulsorily by an order of the court, or voluntarily (a) by a special resolution of its members if the company is solvent, or (b) by an ordinary resolution of its members if the company is insolvent. The liquidator's duties are to collect the assets of the company (including the amount (if any) due from the contributories (shareholders)), settle the list of creditors and discharge the company's liability to them, rateably if insufficient assets exist to discharge the liabilities in full, and to settle the list of contributories and divide the surplus assets (if any) amongst them in accordance with the rights attaching to the shares.

18 Stamp Duty on Transfers

No stamp duty is payable in the Cayman Islands on transfers of shares of Cayman Islands companies except those which hold interests in land in the Cayman Islands.

19 Taxation

Pursuant to section 6 of the Tax Concessions Law (2018 Revision) of the Cayman Islands, the Company may obtain an undertaking from the Financial Secretary of the Cayman Islands:

(a) that no law which is enacted in the Cayman Islands imposing any tax to be levied on profits, income, gains or appreciations shall apply to the Company or its operations; and

(b) in addition, that no tax to be levied on profits, income, gains or appreciations or which is in the nature of estate duty or inheritance tax shall be payable:

(i) on or in respect of the shares, debentures or other obligations of the Company; or

(ii) by way of the withholding in whole or in part of any relevant payment as defined in section 6(3) of the Tax Concessions Law (2018 Revision).

The Cayman Islands currently levy no taxes on individuals or corporations based upon profits, income, gains or appreciations and there is no taxation in the nature of inheritance tax or estate duty. There are no other taxes likely to be material to the Company levied by the Government of the Cayman Islands save certain stamp duties which may be applicable, from time to time, on certain instruments executed in or brought within the jurisdiction of the Cayman Islands. The Cayman Islands are not party to any double tax treaties that are applicable to any payments made by or to the Company.

20 Exchange Control

There are no exchange control regulations or currency restrictions in the Cayman Islands.

21 General

Maples and Calder (Hong Kong) LLP, the Company's legal advisors on Cayman Islands law, have sent to the Company a letter of advice summarizing aspects of Cayman Islands company law. This letter, together with a copy of the Companies Law, is available for inspection as referred to in the section headed "Documents available for inspection" in Appendix VI. Any person wishing to have a detailed summary of Cayman Islands company law or advice on the differences between it and the laws of any jurisdiction with which he/she is more familiar is recommended to seek independent legal advice.

A. FURTHER INFORMATION ABOUT OUR COMPANY

1. Incorporation of our Company

Our Company was incorporated in the Cayman Islands under the Companies Law as an exempted company with limited liability on October 17, 2019. Our Company has established its principal place of business in Hong Kong at Unit 6701-02, 67/F, The Center, 99 Queen's Road Central, Central, Hong Kong and was registered with the Registrar of Companies in Hong Kong as a non-Hong Kong company under Part 16 of the Companies Ordinance on April 24, 2020. Mr. Chiu Ngam has been appointed as the authorized representative of our Company for the acceptance of service of process and notices in Hong Kong.

As our Company was incorporated in the Cayman Islands, its operations are subject to the Cayman Islands Companies Law and to its constitution, which comprises of the Memorandum and the Articles. A summary of certain provisions of the Memorandum and Articles and relevant aspects of the Cayman Islands Companies Law is set out in Appendix IV — Summary of the Constitution of the Company and Cayman Islands Law to this Prospectus.

2. Changes in the share capital of our Company

As of the date of incorporation of our Company, the authorized share capital of our Company was HK$380,000 divided into 38,000,000 Shares with a par value of HK$0.01 each. Upon its incorporation, one fully paid ordinary Share of a par value of HK$0.01 was allotted and issued to an initial subscriber, an Independent Third Party, on October 17, 2019, which was then transferred to Glowing Shine on the same date.

Pursuant to Reorganization, on March 5, 2020, our Company acquired 100% of the issued shares in Jubilance Properties from Radiance Group Holdings. In consideration of such acquisition, our Company issued and allotted one Shares to Glowing Shine on the same day.

Pursuant to the written resolutions of our Shareholders passed on October 5, 2020, the authorized share capital of our company was increased from HK$380,000 to HK$100,000,000 by the creation of additional 9,962,000,000 Shares.

Immediately following completion of the Capitalization Issue and the Global Offering and without taking into account any Shares which may be issued upon the exercise of the Over-allotment Option and any options which may be granted under the Share Option Scheme, the issued share capital of our Company will be HK$40,000,000 divided into 4,000,000,000 Shares, all fully paid or credited as fully paid, and 6,000,000,000 Shares will remain unissued.

Save as disclosed above, there has been no alteration in the share capital of our Company within two years immediately preceding the date of this Prospectus.

3. Changes in Share Capital of Our Subsidiaries

The following alterations in the share capital of our subsidiaries have taken place within the two years immediately preceding the date of this Prospectus:

a. *天津居業貿易有限公司 (Tianjin Juye Trading Co., Ltd.)*

On December 24, 2019, the registered capital of Tianjin Juye Trading Co., Ltd. was increased from RMB50 million to RMB550 million.

b. *天津居業新材料科技發展有限公司 (Tianjin Juye New Material Technology Development Co., Ltd.)*

On December 24, 2019, the registered capital of Tianjin Juye New Material Technology Development Co., Ltd. was increased from RMB20 million to RMB520 million.

c. *天津金輝北望貿易有限公司 (Tianjin Jinhui Beiwang Trading Co., Ltd.)*

On February 24, 2020, the registered capital of Tianjin Jinhui Beiwang Trading Co., Ltd. was increased from RMB1.4 billion to RMB3.5 billion.

d. *天津金輝啟陽投資有限公司 (Tianjin Jinhui Qiyang Investment Co., Ltd.)*

On February 21, 2020, the registered capital of Tianjin Jinhui Qiyang Investment Co., Ltd. was increased from USD2 billion to USD5 billion.

e. *天津金輝啟陽貿易有限公司 (Tianjin Jinhui Qiyang Trading Co., Ltd.)*

On February 25, 2020, the registered capital of Tianjin Jinhui Qiyang Trading Co., Ltd. was increased from RMB1.4 billion to RMB3.5 billion.

f. *天津金輝啟信貿易有限公司 (Tianjin Jinhui Qixin Trading Co., Ltd.)*

On February 28, 2020, the registered capital of Tianjin Jinhui Qixin Trading Co., Ltd. was increased from RMB1.4 billion to RMB3.5 billion.

g. *淮安啟輝房地產有限公司 (Huai'an Qihui Properties Co., Ltd.)*

On March 19, 2020, the registered capital of Huai'an Qihui Properties Co., Ltd. was increased from RMB150 million to RMB250 million.

h. *石家莊萬悦房地產開發有限公司 (Shijiazhuang Wanyue Properties Development Co., Ltd.)*

On July 10, 2019, the registered capital of Shijiazhuang Wanyue Properties Development Co., Ltd. was increased from RMB10 million to RMB50 million.

i. *石家莊高悦房地產開發有限公司 (Shijiazhuang Gaoyue Properties Development Co., Ltd.)*

On July 10, 2019, the registered capital of Shijiazhuang Gaoyue Properties Development Co., Ltd. was increased from RMB10 million to RMB50 million.

j. *瀋陽廣興房地產開發有限公司 (Shenyang Guangxing Properties Development Co., Ltd.)*

On October 23, 2019, the registered capital of Shenyang Guangxing Properties Development Co., Ltd. was increased from RMB10 million to RMB21 million.

k. *西安居業建築工程有限公司 (Xi'an Juye Construction Engineering Co., Ltd.)*

On December 25, 2019, the registered capital of Xi'an Juye Construction Engineering Co., Ltd. was increased from RMB100 million to RMB1,100 million.

l. *Xi'an Qitai Real Estate*

On June 19, 2019, the registered capital of Xi'an Qitai Real Estate was increased from RMB10 million to RMB20.41 million.

m. *西安耀葳置業有限公司 (Xi'an Yaowei Real Estate Co., Ltd.)*

On June 28, 2019, the registered capital of Xi'an Yaowei Real Estate Co., Ltd. was increased from RMB50 million to RMB550 million.

n. *Zhengzhou Jinhui Xingye*

On July 5, 2019, the registered capital of Zhengzhou Jinhui Xingye was increased from RMB50 million to RMB102.4 million.

o. *蘇州啟輝置業有限公司 (Suzhou Qihui Real Estate Co., Ltd.)*

On March 28, 2019, the registered capital of Suzhou Qihui Real Estate Co., Ltd. was increased from RMB20 million to RMB300 million.

p. *蘇州京弘源企業管理諮詢有限公司 (Suzhou Jinghongyuan Enterprise Management Consulting Co., Ltd.)*

On April 3, 2019, the registered capital of Suzhou Jinghongyuan Enterprise Management Consulting Co., Ltd. was increased from RMB20 million to RMB300 million.

q. *太倉融輝房地產有限公司 (Taicang Ronghui Properties Co., Ltd.)*

On November 7, 2019, the registered capital of Taicang Ronghui Properties Co., Ltd. was increased from RMB20 million to RMB512.5 million.

r. *淮安融輝房地產有限公司 (Huai'an Ronghui Properties Co., Ltd.)*

On November 30, 2018, the registered capital of Huai'an Ronghui Properties Co., Ltd. was increased from RMB136 million to RMB171.52 million.

On July 12, 2019, the registered capital of Huai'an Ronghui Properties Co., Ltd. was increased from RMB171.52 million to RMB200 million.

s. *南京輝耀房地產開發有限公司 (Nanjing Huiyao Properties Development Co., Ltd.)*

On November 12, 2018, the registered capital of Nanjing Huiyao Properties Development Co., Ltd. was increased from RMB50 million to RMB110 million.

t. *揚州京輝房地產開發有限公司 (Yangzhou Jinghui Properties Development Co., Ltd.)*

On August 25, 2020, the registered capital of Yangzhou Jinghui Properties Development Co., Ltd. was increased from RMB10 million to USD193.7046 million.

u. *鹽城啟輝置業有限公司 (Yancheng Qihui Real Estate Co., Ltd.)*

On August 15, 2019, the registered capital of Yancheng Qihui Real Estate Co., Ltd. was increased from RMB50 million to RMB150 million.

v. *安徽啟輝置業有限公司 (Anhui Qihui Real Estate Co., Ltd.)*

On April 30, 2019, the registered capital of Anhui Qihui Real Estate Co., Ltd. was increased from RMB20 million to RMB50 million.

On May 18, 2020, the registered capital of Anhui Qihui Real Estate Co., Ltd. was increased from RMB50 million to RMB100 million.

w. *福建省平潭居業貿易有限公司 (Fujian Pingtan Juye Trading Co., Ltd.)*

On December 25, 2019, the registered capital of Fujian Pingtan Juye Trading Co., Ltd. was increased from RMB10 million to RMB510 million.

x. *福州京輝房地產有限公司 (Fuzhou Jinghui Properties Co., Ltd.)*

On December 2, 2019, the registered capital of Fuzhou Jinghui Properties Co., Ltd. was increased from RMB10 million to RMB100 million.

y. *福清金福新茂房地產有限公司 (Fuqing Jinfu Xinmao Properties Co., Ltd.)*

On March 15, 2019, the registered capital of Fuqing Jinfu Xinmao Properties Co., Ltd. was increased from RMB10 million to RMB200 million.

z. 福清金宸房地產開發有限公司 (Fuqing Jinchen Properties Development Co., Ltd.)

On April 27, 2020, the registered capital of Fuqing Jinchen Properties Development Co., Ltd. was increased from RMB50 million to RMB200 million.

aa. 惠州市恒興業房地產開發有限公司 (Huizhou Hengxingye Properties Development Co., Ltd.)

On January 24, 2019, the registered capital of Huizhou Hengxingye Properties Development Co., Ltd. was increased from RMB3 million to RMB37.5 million.

bb. 深圳市京輝投資有限公司 (Shenzhen Jinghui Investment Co., Ltd.)

On July 21, 2020, the registered capital of Shenzhen Jinghui Investment Co., Ltd. was increased from RMB386.4 million to RMB644 million.

cc. 重慶金輝星耀房地產開發有限公司 (Chongqing Jinhui Xingyao Properties Development Co., Ltd.)

On January 8, 2020, the registered capital of Chongqing Jinhui Xingyao Properties Development Co., Ltd. was increased from RMB390 million to RMB390.8 million.

dd. Changsha Jinhui Real Estate

On September 22, 2019, the registered capital of Changsha Jinhui Real Estate was increased from RMB50 million to RMB103 million.

ee. 武漢三江匯物流投資有限公司 (Wuhan Sanjianghui Logistics Investment Co., Ltd.)

On July 1, 2019, the registered capital of Wuhan Sanjianghui Logistics Investment Co., Ltd. was increased from RMB100 million to RMB500 million.

ff. 武漢金輝融宇房地產開發有限公司 (Wuhan Jinhui Rongyu Properties Development Co., Ltd.)

On August 15, 2019, the registered capital of Wuhan Jinhui Rongyu Properties Development Co., Ltd. was increased from RMB50 million to RMB102.040816 million.

gg. Wuhan Yaoxing Properties

On June 27, 2019, the registered capital of Wuhan Yaoxing Properties was increased from RMB100 million to RMB1,000 million.

hh. 長沙融宇房地產有限公司 (Changsha Rongyu Properties Co., Ltd.)

On October 30, 2019, the registered capital of Changsha Rongyu Properties Co., Ltd. was increased from RMB50 million to RMB103 million.

On December 26, 2019, the registered capital of Changsha Rongyu Properties Co., Ltd. was increased from RMB103 million to RMB463 million.

On March 30, 2020, the registered capital of Changsha Rongyu Properties Co., Ltd. was decreased from RMB463 million to RMB103 million.

ii. 長沙融輝房地產有限公司 (Changsha Ronghui Properties Co., Ltd.)

On October 31, 2019, the registered capital of Changsha Ronghui Properties Co., Ltd. was increased from RMB50 million to RMB103 million.

jj. 孝感全洲鴻博置業有限公司 (Xiaogan Quanzhou Hongbo Real Estate Co., Ltd.)

On December 11, 2018, the registered capital of Xiaogan Quanzhou Hongbo Real Estate Co., Ltd. was reduced from RMB100 million to RMB80 million.

On December 19, 2018, the registered capital of Xiaogan Quanzhou Hongbo Real Estate Co., Ltd. was increased from RMB80 million to RMB100 million.

kk. 荊州金輝融宇房地產開發有限公司 (Jingzhou Jinhui Rongyu Properties Development Co., Ltd.)

On October 30, 2019, the registered capital of Jingzhou Jinhui Rongyu Properties Development Co., Ltd. was increased from RMB50 million to RMB110 million.

4. Written resolutions of our sole Shareholder passed on October 5, 2020

Pursuant to the written resolutions passed by our sole Shareholder on October 5, 2020, among other matters:

(a) our Company approved and adopted the amended and restated Memorandum with immediate effect and the Articles with effect from the Listing Date;

(b) the authorized share capital of our Company was increased from HK$380,000 divided into 38,000,000 Shares of a par value of HK$0.01 each to HK$100,000,000 divided into 10,000,000,000 Shares of a nominal value of HK$0.01 each by the creation of additional 9,962,000,000 Shares, which rank *pari passu* in all respects with the Shares in issue as of the date of such resolutions;

(c) conditional on (aa) the Listing Committee granting the listing of, and permission to deal in, the Shares in issue and Shares to be allotted and issued pursuant to the Global Offering and the Capitalization Issue and Shares to be issued as mentioned in this Prospectus (including any additional Shares which may be allotted and issued pursuant to the exercise of the Over-allotment Option and any options which may be granted under the Share Option Scheme); (bb) the Offer Price has been duly determined; and (cc) the obligations of the Underwriters under the Underwriting Agreements becoming unconditional and not being terminated in accordance with the terms of such agreement (or any conditions as specified in this Prospectus), in each case on or before the dates and times specified in the Underwriting Agreements:

(i) the Global Offering was approved and our Directors were authorized to allot and issue the Offer Shares pursuant to the Global Offering;

(ii) the Over-allotment Option was approved and our Directors were authorized to allot and issue the Shares upon the exercise of the Over-allotment Option;

(iii) the rules of the Share Option Scheme, the principal terms of which are set out in the paragraph headed "D. Other Information — 1. Share Option Scheme" below in this Appendix, were approved and adopted and our Directors were authorized to grant options to subscribe for Shares thereunder and to allot, issue and deal with Shares pursuant to the exercise of options granted under the Share Option Scheme;

(iv) conditional on the share premium account of our Company being credited as a result of the Global Offering, our Directors were authorized to capitalize the sum of HK$33,999,999.98 standing to the credit of the share premium account of our Company by applying such sum in paying up in full at par 3,399,999,998 Shares for allotment and issue, credited as fully paid, to holders of Shares whose name(s) appeared on the register of members of our Company on the date of passing this resolution in proportion (as near as possible without involving fractions so that no fraction of a share shall be allotted and issued) to their then existing respective shareholdings in our Company and our Directors were authorized to allot and issue the Shares under the Capitalization Issue and to give effect to such capitalization;

(v) a general unconditional mandate was given to our Directors to allot, issue and deal with (including the power to make an offer or agreement, or grant securities which would or might require Shares to be allotted and issued), otherwise than pursuant to a rights issue or pursuant to any scrip dividend schemes or similar arrangements providing for the allotment and issue of Shares in lieu of the whole or part of a dividend on Shares in accordance with the Articles or pursuant to a specific authority granted by the Shareholders in general meeting, unissued Shares not exceeding the aggregate of 20% of the number of issued Shares immediately following the completion of the Capitalization Issue and the Global Offering (but taking no account of any Shares which may be allotted and issued pursuant to the exercise of the Over-allotment Option and pursuant to the exercise of the option which may be granted under the Share Option Scheme), such mandate to remain in effect until the conclusion of the next annual general meeting of our Company, or the expiration of the period within which the next annual general meeting of our Company is required by the Articles or any applicable laws to be held, or until revoked or varied by an ordinary resolution of the Shareholders in general meeting, whichever occurs first;

(vi) a general unconditional mandate was given to our Directors authorizing them to exercise all powers of our Company to repurchase on the Stock Exchange or any other approved stock exchange on which the securities of our Company may be listed and which is recognized by the SFC and the Stock Exchange for this purpose such number of Shares as will represent up to 10% of the number of issued Shares immediately following the completion of the Capitalization Issue and the Global Offering (but taking no account of any Shares which may be allotted and issued pursuant to the exercise of the Over-allotment Option and pursuant to the exercise of the option which may be granted under the Share Option Scheme), such mandate to remain in effect until the conclusion of the next annual general meeting of our Company, or the expiration of the period within which the next annual general meeting of our Company is required by the Articles or any applicable laws to be held, or until revoked or varied by an ordinary resolution of the Shareholders in general meeting, whichever occurs first; and

(vii) the general unconditional mandate mentioned in paragraph (v) above was extended by the addition to the number of issued Shares which may be issued and allotted or agreed conditionally or unconditionally to be issued and allotted by our Directors pursuant to such general mandate of an amount representing the total number of issued Shares repurchased by our Company pursuant to the mandate to buy back Shares referred to in paragraph (vi) above.

5. Reorganization

In preparation for the Listing, the companies comprising our Group underwent the Reorganization and our Company became the holding company of our Group. For further details with regard to the Reorganization, please see the section headed "History, Reorganization and Corporate Structure" in this Prospectus.

6. Particulars of our subsidiaries

Set out below is certain information of our subsidiaries as of the Latest Practicable Date:

No.	Name of our subsidiary	Identity of shareholders	Approximate shareholdings
1.	Jubilance Property Holdings	Company	100%
2.	Kam Fei Investment	Jubilance Property Holdings	100%
3.	Radiance Group	Kam Fei Investment	96%
		上海華月實業投資有限公司 (Shanghai Huayue Industrial Investment Co., Ltd.)(3)	4%
4.	蘇州金輝置業有限公司 (Suzhou Jinhui Real Estate Co., Ltd.)	Suzhou Jinhui Juye	100%
5.	Suzhou Jinhui Juye	Shanghai Ronghui Juye	100%
6.	Suzhou Jinhui Properties Development	Suzhou Jinhui Juye	100%
7.	蘇州金輝新園置業有限公司 (Suzhou Jinhui Xinyuan Real Estate Co., Ltd.)	Suzhou Jinhui Juye	100%
8.	蘇州金輝華園置業有限公司 (Suzhou Jinhui Huayuan Real Estate Co., Ltd.)	Suzhou Jinhui Juye	100%
9.	蘇州輝耀房地產開發有限公司 (Suzhou Huiyao Properties Development Co., Ltd.)	Suzhou Jinhui Juye	100%
10.	蘇州融輝房地產開發有限公司 (Suzhou Ronghui Properties Development Co., Ltd.)	Suzhou Jinhui Juye	100%
11.	蘇州啟輝置業有限公司 (Suzhou Qihui Real Estate Co., Ltd.)	蘇州京弘源企業管理諮詢有限公司 (Suzhou Jinghongyuan Enterprise Management Consulting Co., Ltd.)	100%
12.	蘇州鑫寶源企業管理諮詢有限公司 (Suzhou Xinbaoyuan Enterprise Management Consulting Co., Ltd.)	Suzhou Jinhui Juye	100%
13.	蘇州京弘源企業管理諮詢有限公司 (Suzhou Jinghongyuan Enterprise Management Consulting Co., Ltd.)	Suzhou Jinhui Juye	70%
		蘇州輝弘源企業管理諮詢有限公司 (Suzhou Huihongyuan Enterprise Management Consulting Co., Ltd.)(1)	30%

No.	Name of our subsidiary	Identity of shareholders	Approximate shareholdings
14.	上海融輝置業有限公司 (Shanghai Ronghui Real Estate Co., Ltd.)	Shanghai Ronghui Juye	100%
15.	上海居業投資有限公司 (Shanghai Juye Investment Co., Ltd.)	Radiance Group	100%
16.	上海融港置業有限公司 (Shanghai Ronggang Real Estate Co., Ltd.)	Shanghai Ronghui Juye	100%
17.	Shanghai Ronghui Juye	Radiance Group	100%
18.	上海融輝房地產有限公司 (Shanghai Ronghui Properties Co., Ltd.)	Radiance Group	50%
		Shanghai Ronghui Juye	50%
19.	Shanghai Tiancui	Shanghai Ronghui Juye	100%
20.	上海融宇設計裝飾工程有限公司 (Shanghai Rongyu Design & Decoration Engineering Co., Ltd.)	Shanghai Ronghui Juye	100%
21.	上海輝盛房地產開發有限公司 (Shanghai Huisheng Properties Development Co., Ltd.)	Shanghai Ronghui Juye	100%
22.	無錫金輝房地產開發有限公司 (Wuxi Jinhui Properties Development Co., Ltd.)	Beijing Juye Investment	100%
23.	南通輝耀置業有限公司 (Nantong Huiyao Real Estate Co., Ltd.)	西安金輝房地產開發有限公司 (Xi'an Jinhui Properties Development Co., Ltd.)	100%
24.	太倉金輝房地產開發有限公司 (Taicang Jinhui Properties Development Co., Ltd.)	西安金輝房地產開發有限公司 (Xi'an Jinhui Properties Development Co., Ltd.)	100%
25.	太倉融輝房地產開發有限公司 (Taicang Ronghui Properties Development Co., Ltd.)	Radiance Capital Holdings Co., Limited (金輝北望控股有限公司)	100%
26.	Jurong Hongyuan	Shanghai Ronghui Juye	100%
27.	句容恭華房地產開發有限公司 (Jurong Gonghua Properties Development Co., Ltd.)	Jurong Hongyuan	100%
28.	揚州金輝置業有限公司 (Yangzhou Jinhui Real Estate Co., Ltd.)	北京融輝茗業投資有限公司 (Beijing Ronghui Mingye Investment Co., Ltd.)	100%
29.	杭州融輝置業有限公司 (Hangzhou Ronghui Real Estate Co., Ltd.)	Suzhou Jinhui Juye	100%
30.	杭州啟盈企業管理諮詢有限公司 (Hangzhou Qiying Enterprise Management Consulting Co., Ltd.)	Suzhou Jinhui Juye	100%
31.	Hangzhou Jinghui Real Estate	杭州啟盈企業管理諮詢有限公司 (Hangzhou Qiying Enterprise Management Consulting Co., Ltd.)	100%
32.	杭州鴻振企業管理諮詢有限公司 (Hangzhou Hongzhen Enterprise Management Consulting Co., Ltd.)	Suzhou Jinhui Juye	100%

No.	Name of our subsidiary	Identity of shareholders	Approximate shareholdings
33.	杭州融輝銘著實業有限公司 (Hangzhou Ronghui Mingzhu Industrial Co., Ltd.)	上海輝盛房地產開發有限公司 (Shanghai Huisheng Properties Development Co., Ltd.)	100%
34.	杭州啟輝優步實業有限公司 (Hangzhou Qihui Youbu Industrial Co., Ltd.)	Suzhou Jinhui Juye	100%
35.	嘉興耀安投資管理有限公司 (Jiaxing Yao'an Investment Management Co., Ltd.)	Beijing Ronghui Real Estate	100%
36.	紹興融輝置業有限公司 (Shaoxing Ronghui Real Estate Co., Ltd.)	杭州啟輝優步實業有限公司 (Hangzhou Qihui Youbu Industrial Co., Ltd.)	100%
37.	南京輝耀房地產開發有限公司 (Nanjing Huiyao Properties Development Co., Ltd.)	Suzhou Jinhui Properties Development	100%
38.	南京融輝置業有限公司 (Nanjing Ronghui Real Estate Co., Ltd.)	Beijing Juye Investment	100%
39.	鎮江融輝置業有限公司 (Zhenjiang Ronghui Real Estate Co., Ltd.)	南京輝耀房地產開發有限公司 (Nanjing Huiyao Properties Development Co., Ltd.)	100%
40.	揚州融輝置業有限公司 (Yangzhou Ronghui Real Estate Co., Ltd.)	Shanghai Ronghui Juye	100%
41.	揚州萬景置業有限公司 (Yangzhou Wanjing Real Estate Co., Ltd.)(2)	揚州鵬卓企業管理諮詢有限公司 (Yangzhou Pengzhuo Enterprise Management Consulting Co., Ltd.)(1)	33.4%
		南京融輝置業有限公司 (Nanjing Ronghui Real Estate Co., Ltd.)	33.3%
		揚州新碧置業有限公司 (Yangzhou Xinbi Real Estate Co., Ltd.)(1)	33.3%
42.	揚州融宇房地產開發有限公司 (Yangzhou Rongyu Properties Development Co., Ltd.)	鹽城金輝居業有限公司 (Yancheng Jinhui Juye Co., Ltd.)	100%
43.	鎮江融宇房地產開發有限公司 (Zhenjiang Rongyu Properties Development Co., Ltd.)	南京融輝置業有限公司 (Nanjing Ronghui Real Estate Co., Ltd.)	100%
44.	蘇州雲輝置業有限公司 (Suzhou Yunhui Real Estate Co., Ltd.)	蘇州融輝房地產開發有限公司 (Suzhou Ronghui Properties Development Co., Ltd.)	100%
45.	紹興京輝置業有限公司 (Shaoxing Jinghui Real Estate Co., Ltd.)	蘇州輝耀房地產開發有限公司 (Suzhou Huiyao Properties Development Co., Ltd.)	100%
46.	紹興啟輝置業有限公司 (Shaoxing Qihui Real Estate Co., Ltd.)	蘇州輝耀房地產開發有限公司 (Suzhou Huiyao Properties Development Co., Ltd.)	100%
47.	寧波京輝置業有限公司 (Ningbo Jinghui Real Estate Co., Ltd.)	寧波啟陽企業管理諮詢有限公司 (Ningbo Qiyang Enterprise Management Consulting Co., Ltd.)	100%
48.	寧波啟輝置業有限公司 (Ningbo Qihui Real Estate Co., Ltd.)	卡恩特實業發展（連雲港）有限公司 (Kart Industrial Development (Lianyungang) Co., Ltd.)(4)	100%
49.	張家港融輝房地產開發有限公司 (Zhangjiagang Ronghui Property Development Co., Ltd.)	Suzhou Jinhui Real Estate	100%

No.	Name of our subsidiary	Identity of shareholders	Approximate shareholdings
50.	杭州興博企業管理諮詢有限公司 (Hangzhou Xingbo Enterprise Management Consulting Co., Ltd.)	Suzhou Jinhui Juye	55%
		杭州瑞帆影視文化有限公司 (Hangzhou Ruifan Movie Culture Co., Ltd.)(1)	45%
51.	紹興越輝置業有限公司 (Shaoxing Yuehui Real Estate Co., Ltd.)	杭州鴻振企業管理諮詢有限公司 (Hangzhou Hongzhen Enterprise Management Consulting Co., Ltd.)	100%
52.	杭州祥輝企業管理諮詢有限公司 (Hangzhou Qianghui Enterprise Management Consulting Co., Ltd.)	蘇州輝耀房地產開發有限公司 (Suzhou Huiyao Properties Development Co., Ltd.)	100%
53.	蘇州啟陽管理諮詢有限公司 (Suzhou Qiyang Enterprise Management Consulting Co., Ltd.)	Suzhou Jinhui Juye	100%
54.	寧波啟陽企業管理諮詢有限公司 (Ningbo Qiyang Enterprise Management Consulting Co., Ltd.)	蘇州融輝房地產開發有限公司 (Suzhou Ronghui Properties Development Co., Ltd.)	100%
55.	無錫雲輝房地產開發有限公司 (Wuxi Yunhui Properties Development Co., Ltd.)	蘇州輝耀房地產開發有限公司 (Suzhou Huiyao Properties Development Co., Ltd.)	51%
		蘇州啟陽管理諮詢有限公司 (Suzhou Qiyang Enterprise Management Consulting Co., Ltd.)	49%
56.	揚州京輝房地產開發有限公司 (Yangzhou Jinghui Properties Development Co., Ltd.)	蘇州雲輝置業有限公司 (Suzhou Yunhui Real Estate Co., Ltd.)	100%
57.	Beijing Ronghui Real Estate	Radiance Group	100%
58.	Beijing Juye Investment	上海居業投資有限公司 (Shanghai Juye Investment Co., Ltd.)	100%
59.	北京金輝居業投資有限公司 (Beijing Jinhui Juye Investment Co., Ltd.)	Radiance Group	100%
60.	北京金輝酒店管理有限公司 (Beijing Jinhui Hotel Management Co., Ltd.)	北京金輝居業投資有限公司 (Beijing Jinhui Juye Investment Co., Ltd.)	100%
61.	北京居業房地產諮詢有限公司 (Beijing Juye Properties Consulting Co., Ltd.)	Beijing Juye Investment	100%
62.	北京融輝茗業投資有限公司 (Beijing Ronghui Mingye Investment Co., Ltd.)	Radiance Group	100%
63.	Beijing Jinhui Yuanshan	Radiance Group	100%
64.	北京金輝合創投資發展有限公司 (Beijing Jinhui Hechuang Investment Development Co., Ltd.)	Radiance Group	100%
65.	北京居業置業有限公司 (Beijing Juye Real Estate Co., Ltd.)	Beijing Ronghui Real Estate	100%
66.	Beijing Jinhui Beiwang	Beijing Ronghui Real Estate	100%
67.	北京北望管理諮詢有限公司 (Beijing Beiwang Management Consulting Co., Ltd.)	北京融輝茗業投資有限公司 (Beijing Ronghui Mingye Investment Co., Ltd.)	100%
68.	北京北建陸港國際物流有限公司 (Beijing Beijian Lugang International Logistics Co., Ltd.)	北京金輝酒店管理有限公司 (Beijing Jinhui Hotel Management Co., Ltd.)	100%

No.	Name of our subsidiary	Identity of shareholders	Approximate shareholdings
69.	天津啟陽企業管理諮詢有限公司 (Tianjing Qiyang Enterprise Management Consulting Co., Ltd.)	Beijing Juye Investment	100%
70.	天津居業貿易有限公司 (Tianjin Juye Trading Co., Ltd.)	天津啟陽企業管理諮詢有限公司 (Tianjing Qiyang Enterprise Management Consulting Co., Ltd.)	100%
71.	天津居業新材料科技發展有限公司 (Tianjin Juye New Material Technology Development Co., Ltd.)	天津啟陽企業管理諮詢有限公司 (Tianjing Qiyang Enterprise Management Consulting Co., Ltd.)	100%
72.	天津融輝投資有限公司 (Tianjin Ronghui Investment Co., Ltd.)	Beijing Ronghui Real Estate	100%
73.	天津金輝房地產開發有限公司 (Tianjin Jinhui Properties Development Co., Ltd.)	Beijing Juye Investment	100%
74.	天津興輝企業管理諮詢有限公司 (Tianjin Xinghui Enterprise Management Consulting Co., Ltd.)	Beijing Juye Investment	100%
75.	天津星耀企業管理諮詢有限公司 (Tianjin Xingyao Enterprise Management Consulting Co., Ltd.)	Beijing Juye Investment	100%
76.	天津覽輝房地產開發有限公司 (Tianjin Lanhui Properties Development Co., Ltd.)	Beijing Juye Investment	100%
77.	天津盛輝房地產開發有限公司 (Tianjin Shenghui Properties Development Co., Ltd.)	Beijing Juye Investment	100%
78.	天津祥輝房地產開發有限公司 (Tianjin Xianghui Properties Development Co., Ltd.)	Beijing Juye Investment	100%
79.	天津啟輝房地產開發有限公司 (Tianjin Qihui Properties Development Co., Ltd.)	Beijing Juye Investment	100%
80.	天津民輝一號企業管理合夥企業（有限合夥） (Tianjin Minhui Yihao Enterprise Management Partnership (Limited Partnership))	北京北建陸港國際物流有限公司 (Beijing Beijian Lugang International Logistics Co., Ltd.)	99.89%
		天津啟陽企業管理諮詢有限公司 (Tianjing Qiyang Enterprise Management Consulting Co., Ltd.)	0.11%
81.	天津金輝北望貿易有限公司 (Tianjin Jinhui Beiwang Trading Co., Ltd.)	天津金輝啟陽投資有限公司 (Tianjin Jinhui Qiyang Investment Co., Ltd.)	100%
82.	天津金輝啟陽投資有限公司 (Tianjin Jinhui Qiyang Investment Co., Ltd.)	Kam Fei Investment	100%
83.	天津金輝啟陽貿易有限公司 (Tianjin Jinhui Qiyang Trading Co., Ltd.)	天津金輝北望貿易有限公司 (Tianjin Jinhui Beiwang Trading Co., Ltd.)	100%
84.	天津金輝啟信貿易有限公司 (Tianjin Jinhui Qixin Trading Co., Ltd.)	天津金輝啟陽貿易有限公司 (Tianjin Jinhui Qiyang Trading Co., Ltd.)	100%

No.	Name of our subsidiary	Identity of shareholders	Approximate shareholdings
85.	Langfang Qihui Properties Development	北京北望管理諮詢有限公司 (Beijing Beiwang Management Consulting Co., Ltd.)	100%
86.	鹽城金輝居業房地產開發有限公司 (Yancheng Jinhui Juye Properties Development Co., Ltd.)	北京金輝居業投資有限公司 (Beijing Jinhui Juye Investment Co., Ltd.)	100%
87.	鹽城啟輝置業有限公司 (Yancheng Qihui Real Estate Co., Ltd.)	南京融輝置業有限公司 (Nanjing Ronghui Real Estate Co., Ltd.)	100%
88.	淮安金輝置業有限公司 (Huai'an Jinhui Real Estate Co., Ltd.)	北京金輝居業投資有限公司 (Beijing Jinhui Juye Investment Co., Ltd.)	100%
89.	淮安融輝房地產有限公司 (Huai'an Ronghui Properties Co., Ltd.)	Beijing Juye Investment	64.24%
		Kam Fei Investment	35.76%
90.	淮安融輝居業房地產有限公司 (Huai'an Ronghui Juye Properties Co., Ltd.)	北京融輝茗業投資有限公司 (Beijing Ronghui Mingye Investment Co., Ltd.)	100%
91.	淮安金輝房地產有限公司 (Huai'an Jinhui Properties Co., Ltd.)	北京金輝居業投資有限公司 (Beijing Jinhui Juye Investment Co., Ltd.)	100%
92.	江蘇居業建設工程有限公司 (Jiangsu Juye Construction Engineering Co., Ltd.)	Beijing Juye Investment	100%
93.	淮安啟輝房地產有限公司 (Huai'an Qihui Properties Co., Ltd.)	Jurong Hongyuan	60%
		鹽城晉兆企業管理有限公司 (Yancheng Jinzhao Enterprise Management Co., Ltd.)(1)	40%
94.	淮安輝耀房地產有限公司 (Huai'an Huiyao Properties Co., Ltd.)	Jurong Hongyuan	100%
95.	淮安瑞耀置業有限公司 (Huai'an Ruiyao Real Estate Co., Ltd.)	連雲港融輝置業有限公司 (Lianyungang Ronghui Real Estate Co., Ltd.)	100%
96.	淮安祥輝房地產有限公司 (Huai'an Xianghui Properties Co., Ltd.)	連雲港融輝置業有限公司 (Lianyungang Ronghui Real Estate Co., Ltd.)	100%
97.	淮安信耀房地產有限公司 (Huai'an Xinyao Properties Co., Ltd.)	連雲港融輝置業有限公司 (Lianyungang Ronghui Real Estate Co., Ltd.)	100%
98.	淮安雲輝房地產有限公司 (Huai'an Yunhui Properties Co., Ltd.)	淮安金輝置業有限公司 (Huai'an Jinhui Real Estate Co., Ltd.)	51%
		Kam Fei Investment	49%
99.	淮安詳通企業管理諮詢有限公司 (Huai'an Xiangtong Enterprise Management Consulting Co., Ltd.)	揚州金輝置業有限公司 (Yangzhou Jinhui Real Estate Co., Ltd.)	55%
		淮安同邦企業管理諮詢有限公司 (Huai'an Tongbang Enterprise Management Consulting Co., Ltd.)(1)	45%
100.	連雲港融輝置業有限公司 (Lianyungang Ronghui Real Estate Co., Ltd.)	Beijing Ronghui Real Estate	100%

No.	Name of our subsidiary	Identity of shareholders	Approximate shareholdings
101.	連雲港金輝房地產開發有限公司 (Lianyungang Jinhui Properties Development Co., Ltd.)	連雲港融輝置業有限公司 (Lianyungang Ronghui Real Estate Co., Ltd.)	100%
102.	奧萊（連雲港）城市發展有限公司 (Aolai (Lianyungang) City Development Co., Ltd.)	Kam Fei Investment	100%
103.	卡恩特實業發展（連雲港）有限公司 (Kart Industrial Development (Lianyungang) Co., Ltd.)	Radiance Capital Holdings Co., Limited (金輝北望控股有限公司)	100%
104.	徐州輝耀房地產開發有限公司 (Xuzhou Huiyao Properties Development Co., Ltd.)	Jurong Hongyuan	100%
105.	徐州金輝房地產開發有限公司 (Xuzhou Jinhui Properties Development Co., Ltd.)	Jurong Hongyuan	100%
106.	石家莊啟陽房地產開發有限公司 (Shijiazhuang Qiyang Properties Development Co., Ltd.)	Beijing Ronghui Real Estate	80%
		石家莊市天公房地產開發有限公司 (Shijiazhuang Tiangong Properties Development Co., Ltd.)(1)	20%
107.	石家莊金輝房地產開發有限公司 (Shijiazhuang Jinhui Properties Development Co., Ltd.)(2)	北京北望管理諮詢有限公司 (Beijing Beiwang Management Consulting Co., Ltd.)	47.67%
		北京金科展昊置業有限公司 (Beijing Jinke Zhanhao Real Estate Co., Ltd.)(1)	30.33%
		石家莊市天公房地產開發有限公司 (Shijiazhuang Tiangong Properties Development Co., Ltd.)(1)	8.67%
		興業國際信託有限公司 (Xingye International Trust Co., Ltd.)(1)(5)	13.33%
108.	石家莊金輝天甯房地產開發有限公司 (Shijiazhuang Jinhui Tianning Properties Development Co., Ltd.)(2)	北京北望管理諮詢有限公司 (Beijing Beiwang Management Consulting Co., Ltd.)	23.4%
		北京金科展昊置業有限公司 (Beijing Jinke Zhanhao Real Estate Co., Ltd.)(1)	22.5%
		河北潤灝房地產開發有限公司 (Hebei Runhao Properties Development Co., Ltd.)(1)	21.6%
		石家莊駿德房地產開發有限公司 (Shijiazhuang Junde Properties Development Co., Ltd.)(1)	22.5%
		興業國際信託有限公司 (Xingye International Trust Co., Ltd.)(1)(5)	10%

No.	Name of our subsidiary	Identity of shareholders	Approximate shareholdings
109.	石家莊金輝迎旭房地產開發有限公司 (Shijiazhuang Jinhui Yingxu Properties Development Co., Ltd.)[(2)]	北京北望管理諮詢有限公司 (Beijing Beiwang Management Consulting Co., Ltd.)	30.6%
		北京金科展昊置業有限公司 (Beijing Jinke Zhanhao Real Estate Co., Ltd.)[(1)]	29.7%
		石家莊駿德房地產開發有限公司 (Shijiazhuang Junde Properties Development Co., Ltd.)[(1)]	29.7%
		興業國際信託有限公司 (Xingye International Trust Co., Ltd.)[(1)(5)]	10%
110.	石家莊融輝房地產開發有限公司 (Shijiazhuang Ronghui Properties Development Co., Ltd.)	北京北望管理諮詢有限公司 (Beijing Beiwang Management Consulting Co., Ltd.)	100%
111.	石家莊啟輝房地產開發有限公司 (Shijiazhuang Qihui Properties Development Co., Ltd.)	北京北望管理諮詢有限公司 (Beijing Beiwang Management Consulting Co., Ltd.)	67%
		三明市沙縣豐匯企業管理服務中心（普通合夥）(Sanming Shaxian Fenghui Enterprise Management Service Center (General Partnership))[(1)]	33%
112.	石家莊萬悅房地產開發有限公司 (Shijiazhuang Wanyue Properties Development Co., Ltd.)	北京北望管理諮詢有限公司 (Beijing Beiwang Management Consulting Co., Ltd.)	100%
113.	石家莊高悅房地產開發有限公司 (Shijiazhuang Gaoyue Properties Development Co., Ltd.)	北京北望管理諮詢有限公司 (Beijing Beiwang Management Consulting Co., Ltd.)	100%
114.	石家莊馳景房地產開發有限公司 (Shijiazhuang Chijing Properties Development Co., Ltd.)	北京北望管理諮詢有限公司 (Beijing Beiwang Management Consulting Co., Ltd.)	100%
115.	遼寧金輝置業有限公司 (Liaoning Jinhui Real Estate Co., Ltd.)	Beijing Ronghui Real Estate	100%
116.	瀋陽金輝居業房地產有限公司 (Shenyang Jinhui Juye Properties Co., Ltd.)	遼寧金輝置業有限公司 (Liaoning Jinhui Real Estate Co., Ltd.)	95%
		Beijing Juye Investment	5%
117.	瀋陽融輝居業房地產開發有限公司 (Shenyang Ronghui Juye Properties Development Co., Ltd.)	Beijing Ronghui Real Estate	100%
118.	瀋陽廣興房地產開發有限公司 (Shenyang Guangxing Properties Development Co., Ltd.)	Beijing Ronghui Real Estate	47.62%
		福清金輝房地產開發有限公司 (Fuqing Jinhui Properties Development Co., Ltd.)	52.38%
119.	西安金輝房地產開發有限公司 (Xi'an Jinhui Properties Development Co., Ltd.)	北京金輝居業投資有限公司 (Beijing Jinhui Juye Investment Co., Ltd.)	100%
120.	陝西金輝居業房地產有限公司 (Shaanxi Jinhui Juye Properties Development Co., Ltd.)	北京金輝居業投資有限公司 (Beijing Jinhui Juye Investment Co., Ltd.)	100%

No.	Name of our subsidiary	Identity of shareholders	Approximate shareholdings
121.	西安金輝居業房地產開發有限公司 (Xi'an Jinhui Juye Properties Development Co., Ltd.)	西安金輝房地產開發有限公司 (Xi'an Jinhui Properties Development Co., Ltd.)	100%
122.	西安融輝房地產開發有限公司 (Xi'an Ronghui Properties Development Co., Ltd.)	Chongqing Ronghui	100%
123.	西安居業建築工程有限公司 (Xi'an Juye Construction Engineering Co., Ltd.)	北京居業房地產諮詢有限公司 (Beijing Juye Properties Consulting Co., Ltd.)	100%
124.	西安興茂房地產開發有限公司 (Xi'an Xingmao Properties Development Co., Ltd.)	西安融輝房地產開發有限公司 (Xi'an Ronghui Properties Development Co., Ltd.)	100%
125.	Xi'an Qujiang Yuanshan	Beijing Jinhui Yuanshan	100%
126.	西安曲江合創房地產開發有限公司 (Xi'an Qujiang Hechuang Properties Development Co., Ltd.)	北京金輝合創投資發展有限公司 (Beijing Jinhui Hechuang Investment Development Co., Ltd.)	100%
127.	西安博朗房地產開發有限公司 (Xi'an Bolang Properties Development Co., Ltd.)	Beijing Jinhui Yuanshan	100%
128.	西安金輝興業房地產開發有限公司 (Xi'an Jinhui Xingye Properties Development Co., Ltd.)	西安金輝房地產開發有限公司 (Xi'an Jinhui Properties Development Co., Ltd.)	100%
129.	西安金輝融宇房地產開發有限公司 (Xi'an Jinhui Rongyu Properties Development Co., Ltd.)	西安金輝房地產開發有限公司 (Xi'an Jinhui Properties Development Co., Ltd.)	51%
		西安金輝興業房地產開發有限公司 (Xi'an Jinhui Xingye Properties Development Co., Ltd.)	49%
130.	西安輝耀房地產開發有限公司 (Xi'an Yaohui Properties Development Co., Ltd.)	西安金輝房地產開發有限公司 (Xi'an Jinhui Properties Development Co., Ltd.)	100%
131.	西安輝盛房地產開發有限公司 (Xi'an Huisheng Properties Development Co., Ltd.)	西安金輝房地產開發有限公司 (Xi'an Jinhui Properties Development Co., Ltd.)	100%
132.	西安宇盛置業有限公司 (Xi'an Yusheng Real Estate Co., Ltd.)	西安金輝房地產開發有限公司 (Xi'an Jinhui Properties Development Co., Ltd.)	51%
		陝西坤朗房地產開發有限公司 (Shaanxi Kunlang Properties Development Co., Ltd.)(1)	49%
133.	西安商輝金泰置業有限責任公司 (Xi'an Shanghui Jintai Real Estate Co., Ltd.)	陝西商泰置業有限公司 (Shaanxi Shangtai Real Estate Co., Ltd.)(1)	25%
		西安金輝房地產開發有限公司 (Xi'an Jinhui Properties Development Co., Ltd.)	75%
134.	西安錦祺鵬宇置業有限公司 (Xi'an Jinqi Pengyu Real Estate Co., Ltd.)	西安榮華集團有限公司 (Xi'an Ronghua Group Co., Ltd.)(1)	20%
		西安金輝房地產開發有限公司 (Xi'an Jinhui Properties Development Co., Ltd.)	80%

No.	Name of our subsidiary	Identity of shareholders	Approximate shareholdings
135.	Xi'an Qitai Real Estate	西安金輝房地產開發有限公司 (Xi'an Jinhui Properties Development Co., Ltd.)	49%
		Xi'an Qujiang Yuanshan	51%
136.	陝西糧農置業有限責任公司 (Shaanxi Liangnong Real Estate Co., Ltd.)	西安錦祺鵬宇置業有限公司 (Xi'an Jinqi Pengyu Real Estate Co., Ltd.)	100%
137.	西安永挺置業有限公司 (Xi'an Yongting Real Estate Co., Ltd.)	西安金輝房地產開發有限公司 (Xi'an Jinhui Properties Development Co., Ltd.)	100%
138.	陝西楓泓房地產開發有限公司 (Shaanxi Fenghong Properties Development Co., Ltd.)	Xi'an Qitai Real Estate	100%
139.	西安嘉磐置業有限公司 (Xi'an Jiapan Real Estate Co., Ltd.)	西安金輝房地產開發有限公司 (Xi'an Jinhui Properties Development Co., Ltd.)	100%
140.	西咸新區輝盛融宇房地產開發有限公司 (Xixian Xinqu Huisheng Rongyu Properties Development Co., Ltd.)	西安金輝房地產開發有限公司 (Xi'an Jinhui Properties Development Co., Ltd.)	100%
141.	西安金輝景泓商業運營管理有限公司 (Xi'an Jinhui Jinghong Commercial Operation Management Co., Ltd.)	Beijing Jinhui Beiwang	100%
142.	Zhengzhou Jinhui Xingye	西安金輝興業房地產開發有限公司 (Xi'an Jinhui Xingye Properties Development Co., Ltd.)	49%
		Xi'an Qujiang Yuanshan	51%
143.	鄭州金輝合創房地產開發有限公司 (Zhengzhou Jinhui Hechuang Properties Development Co., Ltd.)	西安博朗房地產開發有限公司 (Xi'an Bolang Properties Development Co., Ltd.)	100%
144.	福州融輝房地產有限公司 (Fuzhou Ronghui Properties Development Co., Ltd.)	Radiance Group	100%
145.	福州金輝房地產開發有限公司 (Fuzhou Jinhui Properties Development Co., Ltd.)	Kam Fei Investment	30%
		Radiance Group	70%
146.	福州金輝置業有限公司 (Fuzhou Jinhui Real Estate Co., Ltd.)	Radiance Group	95%
		福州金輝房地產開發有限公司 (Fuzhou Jinhui Properties Development Co., Ltd.)	5%
147.	Rongqiao Fuzhou Real Estate	Radiance Group	60%
		Camden Limited(1)	40%
148.	福州金輝居業房地產有限公司 (Fuzhou Jinhui Juye Properties Co., Ltd.)	福州融輝房地產有限公司 (Fuzhou Ronghui Properties Development Co., Ltd.)	51%
		深圳聯新投資管理有限公司 (Shenzhen Lianxin Investment Management Co., Ltd.)(1)(5)	49%
149.	福州融宇房地產有限公司 (Fuzhou Rongyu Properties Co., Ltd.)	上海融宇設計裝飾工程有限公司 (Shanghai Rongyu Design & Decoration Engineering Co., Ltd.)	70%
		Beijing Juye Investment	30%

No.	Name of our subsidiary	Identity of shareholders	Approximate shareholdings
150.	福建省平潭居業建設有限公司 (Fujian Pingtan Juye Construction Co., Ltd.)	北京居業房地產諮詢有限公司 (Beijing Juye Properties Consulting Co., Ltd.)	100%
151.	福建省平潭居業貿易有限公司 (Fujian Pingtan Juye Trading Co., Ltd.)	福建省平潭居業建設有限公司 (Fujian Pingtan Juye Construction Co., Ltd.)	100%
152.	福建省平潭築嘉居業建築裝飾有限責任公司 (Fujian Pingtan Zhujia Juye Construction Decoration Co., Ltd.)	福建省平潭居業建設有限公司 (Fujian Pingtan Juye Construction Co., Ltd.)	100%
153.	福建省平潭居業嘉驊建築有限責任公司 (Fujian Pingtan Juye Jiahua Construction Co., Ltd.)	福建省平潭居業建設有限公司 (Fujian Pingtan Juye Construction Co., Ltd.)	100%
154.	福建省平潭居業嘉驊建築裝飾有限責任公司 (Fujian Pingtan Juye Jiahua Construction Decoration Co., Ltd.)	福建省平潭居業建設有限公司 (Fujian Pingtan Juye Construction Co., Ltd.)	100%
155.	福建鑫聯輝房地產開發有限公司 (Fujian Xinlianhui Properties Development Co., Ltd.)	福州融輝房地產有限公司 (Fuzhou Ronghui Properties Development Co., Ltd.)	85%
		福建通明投資有限公司 (Fujian Tongming Investment Co., Ltd.)(1)	7.5%
		福建華森投資有限公司 (Fujian Huasen Investment Co., Ltd.)(1)	7.5%
156.	福建省金輝康養投資有限公司 (Fujian Jinhui Kangyang Investment Co., Ltd.)	深圳市金輝投資有限公司 (Shenzhen Jinhui Investment Co., Ltd.)	100%
157.	福州祥輝房地產有限公司 (Fuzhou Xianghui Properties Co., Ltd.)	福州融輝房地產有限公司 (Fuzhou Ronghui Properties Development Co., Ltd.)	100%
158.	福州京輝房地產有限公司 (Fuzhou Jinghui Properties Co., Ltd.)	福州融輝房地產有限公司 (Fuzhou Ronghui Properties Development Co., Ltd.)	100%
159.	福建金輝安徽房地產有限公司 (Fujian Jinhui Anhui Properties Co., Ltd.)	Chongqing Jinhui Changjiang	100%
160.	安徽融輝置業有限公司 (Anhui Ronghui Real Estate Co., Ltd.)	福建金輝安徽房地產有限公司 (Fujian Jinhui Anhui Properties Co., Ltd.)	8%
		北京金輝居業投資有限公司 (Beijing Jinhui Juye Investment Co., Ltd.)	92%
161.	合肥盛卓房地產開發有限公司 (Hefei Shengzhuo Properties Development Co., Ltd.)(2)	合肥旭輝企業管理有限公司 (Hefei Xuhui Corporate Management Co., Ltd.)(1)	15.2%
		安徽保利房地產開發有限公司 (Anhui Baoli Properties Development Co., Ltd.)(1)	9.5%
		安徽融僑置業有限公司 (Anhui Rongqiao Real Estate Co., Ltd.)	19%
		安徽融輝置業有限公司 (Anhui Ronghui Real Estate Co., Ltd.)	23%
		合肥新城創置房地產有限公司 (Hefei Xincheng Chuangzhi Properties Co., Ltd.)(1)	20%

No.	Name of our subsidiary	Identity of shareholders	Approximate shareholdings
		湖北清能投資發展集團有限公司 (Hubei Qingneng Investment Development Group Co., Ltd.)(1)	9.5%
		北京東興聯永同昌投資管理有限公司 (Beijing Dongxing Lianyong Tongchang Investment Management Co., Ltd.)(1)	3.8%
162.	安徽啟輝置業有限公司 (Anhui Qihui Real Estate Co., Ltd.)	Chongqing Jinhui Changjiang	100%
163.	安徽皖輝置業有限公司 (Anhui Wanhui Real Estate Co., Ltd.)	Jurong Hongyuan	70%
		安徽梁和商業管理有限公司 (Anhui Lianghe Commercial Management Co., Ltd.)(1)	30%
164.	安徽金輝房地產開發有限公司 (Anhui Jinhui Properties Development Co., Ltd.)	Jurong Hongyuan	100%
165.	福清金輝房地產開發有限公司 (Fuqing Jinhui Properties Development Co., Ltd.)	Radiance Group	100%
166.	福清融輝置業有限公司 (Fuqing Ronghui Properties Development Co., Ltd.)	上海居業投資有限公司 (Shanghai Juye Investment Co., Ltd.)	100%
167.	福清市融能房地產有限公司 (Fuqing Rongneng Properties Co., Ltd.)	福清金輝房地產開發有限公司 (Fuqing Jinhui Properties Development Co., Ltd.)	100%
168.	福清金利方園房地產有限公司 (Fuqing Jinli Fangyuan Properties Co., Ltd.)(2)	福清金輝房地產開發有限公司 (Fuqing Jinhui Properties Development Co., Ltd.)	36%
		福州市乾茂投資有限公司 (Fuzhou Qianmao Investment Co., Ltd.)(1)	32%
		Fuqing Xindongfang Real Estate Co., Ltd. (福清市新東方置業有限公司)(1)	32%
169.	福清金輝居業房地產有限公司 (Fuqing Jinhui Juye Properties Co., Ltd.)	福清金輝房地產開發有限公司 (Fuqing Jinhui Properties Development Co., Ltd.)	100%
170.	福清金福新茂房地產有限公司 (Fuqing Jinfu Xinmao Properties Co., Ltd.)	福清金輝房地產開發有限公司 (Fuqing Jinhui Properties Development Co., Ltd.)	39%
		福州世茂新世紀房地產開發有限公司 (Fuzhou Shimao Xinshiji Properties Development Co., Ltd.)(1)	11%
		河南中嶽麗峰實業有限公司 (Henan Zhongyue Lifeng Industrial Co., Ltd.)(1)	25%
		福清福澤投資有限公司 (Fuqing Fuze Investment Co., Ltd.)(1)	25%
171.	福清京輝房地產開發有限公司 (Fuqing Jinghui Properties Development Co., Ltd.)	福清金輝房地產開發有限公司 (Fuqing Jinhui Properties Development Co., Ltd.)	100%
172.	福清金宸房地產開發有限公司 (Fuqing Jinchen Properties Development Co., Ltd.)	福清金輝房地產開發有限公司 (Fuqing Jinhui Properties Development Co., Ltd.)	51%
		福清市海宸投資有限公司 (Fuqing Haichen Investment Co., Ltd.)(1)	49%

No.	Name of our subsidiary	Identity of shareholders	Approximate shareholdings
173.	福清京海房地產開發有限公司 (Fuqing Jinghai Properties Development Co., Ltd.)	福清金輝房地產開發有限公司 (Fuqing Jinhui Properties Development Co., Ltd.)	51%
		福清市海宸投資有限公司 (Fuqing Haichen Investment Co., Ltd.)(1)	49%
174.	福清金海房地產開發有限公司 (Fuqing Jinhai Properties Development Co., Ltd.)	福清金輝房地產開發有限公司 (Fuqing Jinhui Properties Development Co., Ltd.)	70%
		福清市海宸投資有限公司 (Fuqing Haichen Investment Co., Ltd.)(1)	30%
175.	佛山市金輝房地產有限公司 (Foshan Jinhui Properties Co., Ltd.)	北京融輝茗業投資有限公司 (Beijing Ronghui Mingye Investment Co., Ltd.)	100%
176.	佛山市鵬輝房地產有限公司 (Foshan Penghui Properties Co., Ltd.)	北京融輝茗業投資有限公司 (Beijing Ronghui Mingye Investment Co., Ltd.)	100%
177.	佛山市高明區龍光景駿房地產有限公司 (Foshan Gaoming District Longguang Jingjun Properties Co., Ltd.)(2)	深圳市龍光房地產有限公司 (Shenzhen Longguang Properties Co., Ltd.)(1)	50%
		深圳市金輝投資有限公司 (Shenzhen Jinhui Investment Co., Ltd.)	50%
178.	佛山市禪輝房地產有限公司 (Foshan Chanhui Properties Co., Ltd.)	福清金輝房地產開發有限公司 (Fuqing Jinhui Properties Development Co., Ltd.)	100%
179.	佛山市祥輝房地產有限公司 (Foshan Xianghui Properties Co., Ltd.)	佛山市覽輝投資諮詢有限公司 (Foshan Lanhui Investment Consulting Co., Ltd.)	100%
180.	佛山市覽輝投資諮詢有限公司 (Foshan Lanhui Investment Consulting Co., Ltd.)	深圳市金輝投資有限公司 (Shenzhen Jinhui Investment Co., Ltd.)	50.33%
		佛山市高悅企業管理有限公司 (Foshan Gaoyue Enterprise Management Co., Ltd.)(1)	49.67%
181.	惠州市順翔房地產開發有限公司 (Huizhou Shunxiang Properties Development Co., Ltd.)	深圳市金輝投資有限公司 (Shenzhen Jinhui Investment Co., Ltd.)	100%
182.	惠州市恒盛泰房地產開發有限公司 (Huizhou Hengshengtai Properties Development Co., Ltd.)	深圳市金輝投資有限公司 (Shenzhen Jinhui Investment Co., Ltd.)	100%
183.	惠州市升捷房地產開發有限公司 (Huizhou Shengjie Properties Development Co., Ltd.)	深圳市京輝投資有限公司 (Shenzhen Jinghui Investment Co., Ltd.)	100%
184.	惠州市恒興業房地產開發有限公司 (Huizhou Hengxing Properties Development Co., Ltd.)	深圳市金輝投資有限公司 (Shenzhen Jinhui Investment Co., Ltd.)	100%
185.	惠州市譽誠達房地產有限公司 (Huizhou Yuchengda Properties Co., Ltd.)	深圳市金輝投資有限公司 (Shenzhen Jinhui Investment Co., Ltd.)	80%
		鍾勇新 (Mr. Zhong Yongxin)(1)	20%
186.	惠州市裕祥鑫房地產有限公司 (Huizhou Yuxiangxin Properties. Co., Ltd.)	深圳市金輝投資有限公司 (Shenzhen Jinhui Investment Co., Ltd.)	100%
187.	深圳市金輝投資有限公司 (Shenzhen Jinhui Investment Co., Ltd.)	Beijing Juye Investment	100%

No.	Name of our subsidiary	Identity of shareholders	Approximate shareholdings
188.	深圳市京輝投資有限公司 (Shenzhen Jinghui Investment Co., Ltd.)	深圳市金輝投資有限公司 (Shenzhen Jinhui Investment Co., Ltd.)	60%
		中航信託股份有限公司 (Zhonghang Trust Co., Ltd)[(1)]	40%
189.	重慶金輝星耀房地產開發有限公司 (Chongqing Jinhui Xingyao Properties Development Co., Ltd.)[(2)]	Radiance Group	50.1%
		重慶置盛泓熠企業管理有限公司 (Chongqing Zhisheng Hongyi Enterprise Management Co. Ltd.)[(1)]	49.9%
190.	重慶金輝錦江房地產有限公司 (Chongqing Jinhui Jinjiang Properties Co., Ltd.)	Beijing Ronghui Real Estate	100%
191.	Chongqing Jinhui Changjiang	Chongqing Ronghui	51.1%
		Beijing Juye Investment	48.9%
192.	Chongqing Ronghui	Radiance Group	100%
193.	重慶金輝長江資產管理有限公司 (Chongqing Jinhui Changjiang Assets Management Co., Ltd.)	Chongqing Jinhui Changjiang	100%
194.	重慶渝輝耀企業管理諮詢有限公司 (Chongqing Yuhuiyao Enterprise Management Consulting Co., Ltd.)	Chongqing Ronghui	100%
195.	重慶輝德睿房地產開發有限公司 (Chongqing Huiderui Properties Development Co., Ltd.)	Radiance Capital Holdings Co., Limited (金輝北望控股有限公司)	60%
		重慶德睿輝實業有限公司 (Chongqing Deruihui Industrial Co., Ltd.)[(1)]	40%
196.	重慶金永禾房地產開發有限公司 (Chongqing Jinyonghe Properties Development Co., Ltd.)	Chongqing Ronghui	51%
		重慶金科匯茂房地產開發有限公司 (Chongqing Jinke Huimao Properties Development Co., Ltd.)[(1)]	49%
197.	重慶渝輝耀城房地產開發有限責任公司 (Chongqing Yuhui Yaocheng Properties Development Co., Ltd.)	Chongqing Jinhui Changjiang	100%
198.	成都瑞華企業(集團)有限責任公司 (Chengdu Ruihua Enterprise (Group) Co., Ltd.)	北京金輝居業投資有限公司 (Beijing Jinhui Juye Investment Co., Ltd.)	100%
199.	成都融輝置業有限公司 (Chengdu Ronghui Real Estate Co., Ltd.)	Beijing Juye Investment	100%
200.	成都金輝居業置業有限公司 (Chengdu Jinhui Juye Real Properties Co., Ltd.)	Beijing Ronghui Real Estate	100%
201.	成都蓉耀房地產開發有限公司 (Chengdu Rongyao Properties Development Co., Ltd.)	Beijing Ronghui Real Estate	100%
202.	仁壽金輝耀城房地產有限公司 (Renshou Jinhui Yaocheng Properties Development Co., Ltd.)	重慶渝輝耀企業管理諮詢有限公司 (Chongqing Yuhuiyao Enterprise Management Consulting Co., Ltd.)	100%

No.	Name of our subsidiary	Identity of shareholders	Approximate shareholdings
203.	湖南錦達發房地產有限公司 (Hunan Jinda Properties Co., Ltd.)	福州融輝房地產有限公司 (Fuzhou Ronghui Properties Development Co., Ltd.)	100%
204.	Changsha Jinhui Real Estate	Chongqing Jinhui Changjiang	51.46%
		福州融輝房地產有限公司 (Fuzhou Ronghui Properties Development Co., Ltd.)	48.54%
205.	長沙鴻濤房地產開發有限公司 (Changsha Hongtao Properties Development Co., Ltd.)	Changsha Jinhui Real Estate	100%
206.	武漢三江匯物流投資有限公司 (Wuhan Sanjianghui Logistics Investment Co., Ltd.)(2)	Beijing Juye Investment	40%
		湖北三峽華翔集團有限公司 (Hubei Sanxia Huaxiang Group Co., Ltd.)(1)	30%
		福建友興投資有限公司 (Fujian Youxing Investment Co., Ltd.)(1)	30%
207.	武漢金輝置業有限公司 (Wuhan Jinhui Real Estate Co., Ltd.)	Beijing Jinhui Yuanshan	100%
208.	武漢金輝融宇房地產開發有限公司 (Wuhan Jinhui Rongyu Properties Development Co., Ltd.)	武漢金輝置業有限公司 (Wuhan Jinhui Real Estate Co., Ltd.)	49%
		Chongqing Jinhui Changjiang	51%
209.	Wuhan Yaoxing Properties Development	武漢金輝置業有限公司 (Wuhan Jinhui Real Estate Co., Ltd.)(6)	80%
		福建友興投資有限公司 (Fujian Youxing Investment Co., Ltd.)(1)	20%
210.	長沙融宇房地產有限公司 (Changsha Rongyu Properties Co., Ltd.)	Chongqing Jinhui Changjiang	51.46%
		Changsha Jinhui Real Estate	48.54%
211.	長沙融輝房地產有限公司 (Changsha Ronghui Properties Co., Ltd.)	Chongqing Jinhui Changjiang	51.46%
		Changsha Jinhui Real Estate	48.54%
212.	孝感全洲鴻博置業有限公司 (Xiaogan Quanzhou Hongbo Real Estate Co., Ltd.)	武漢金輝置業有限公司 (Wuhan Jinhui Real Estate Co., Ltd.)	80%
		宜昌市西陵區茗薌茶葉商行 (Yichang Xiling Mingxiang Tea Firm)(7)	16.19%
		宜昌市西陵區吉和糧油經營部 (Yichang Xiling Jihe Liangyou)(7)	3.81%
213.	荊州金輝融宇房地產開發有限公司 (Jingzhou Jinhui Rongyu Properties Development Co., Ltd.)	武漢金輝置業有限公司 (Wuhan Jinhui Real Estate Co., Ltd.)	49%
		Chongqing Jinhui Changjiang	51%
214.	成都居業企業管理諮詢有限公司 (Chengdu Juye Enterprise Management Consulting Co., Ltd.)	成都蓉耀房地產開發有限公司 (Chengdu Rongyao Properties Development Co., Ltd.)	100%
215.	長沙高悅企業管理諮詢有限公司（Changsha Gaoyue Enterprise Management Consulting Co., Ltd.）	成都居業企業管理諮詢有限公司 (Chengdu Juye Enterprise Management Consulting Co., Ltd.)	100%

No.	Name of our subsidiary	Identity of shareholders	Approximate shareholdings
216.	重慶居業覽輝企業管理諮詢有限公司 (Chongqing Juye Lanhui Enterprise Management Consulting Co., Ltd.)	長沙高悦企業管理諮詢有限公司 Changsha Gaoyue Enterprise Management Consulting Co., Ltd.）	100%
217.	重慶啟輝耀城房地產開發有限公司 (Chongqing Qihui Yaocheng Properties Development Co., Ltd.)	Chongqing Jinhui Changjiang	100%
218.	Radiance Capital Holdings Co., Limited (金輝北望控股有限公司)	Radiance Group	100%
219.	Radiance Capital Investments Limited (金輝資本投資有限公司)	Radiance Capital Holdings Co., Limited (金輝北望控股有限公司)	100%
220.	惠州市創新發房地產開發有限公司 (Huizhou Chuangxinfa Property Development Co., Ltd.)	深圳市金輝投資有限公司 (Shenzhen Jinhui Investment Co., Ltd.)	100%
221.	北京金輝創領科技有限公司 (Beijing Jinhui Chuangling Technology Co., Ltd.)	Radiance Group	100%
222.	泉州啟輝房地產開發有限公司 (Quanzhou Qihui Property Development Co., Ltd.)	奧萊（連雲港）城市發展有限公 (Aolai (Lianyungang) City Development Co., Ltd.)	100%
223.	揚州啟陽企業管理有限公司 (Yangzhou Qiyang Enterprise Management Co., Ltd.)	蘇州雲輝置業有限公司 (Suzhou Yunhui Real Estate Co., Ltd.)	100%

Notes:

(1) To the best of our knowledge, information and belief, having made all necessary reasonable enquiries, each of the shareholders of our subsidiaries was an Independent Third Party save for being a shareholder of our subsidiaries.

(2) Despite our Group's minority shareholding in such companies, our Group has majority voting rights in such companies as stipulated in its constitution or controlling the board composition of such companies. As such, our Group has control over such companies, and they are accounted for and consolidated in the audited accounts of our Company and are considered subsidiaries of our Company as at the Latest Practicable Date.

(3) This entity is owned by Mr. Lin Wei, Ms. Chen Yun, Ms. Lin Fengyu, Ms. Lin Ping and Ms. Lin Fenghua and each of them is Mr. Lam's relative or family member (as each of such terms is defined in the Listing Rules).

(4) 40% of which shall be conditionally transferred to 杭州力柏房地產開發有限公司 (Hangzhou Libo Property Development Co., Ltd.) pursuant to a cooperation agreement entered into between 卡恩特實業發展（連雲港）有限公司 (Kart Industrial Development (Lianyungang) Co., Ltd.) and 杭州力柏房地產開發有限公司 (Hangzhou Libo Property Development Co., Ltd.).

(5) As of the Latest Practicable Date, such equity interest is held by such shareholder on trust and on behalf of the remaining shareholders on a pro rata basis.

(6) 15% of which is held on trust for and on behalf of 武漢茂田置業投資有限責任公司 (Wuhan Maotian Properties Investment Co., Ltd.), which is an Independent Third Party.

(7) As of the Latest Practicable Date, such equity interest is held by such shareholder on trust for and on behalf of our Group.

7. Buy-back by our Company of its own securities

This section includes information required by the Stock Exchange to be included in this Prospectus concerning the buy-back by our Company of its own securities.

(a) Provisions of the Listing Rules

The Listing Rules permit companies with a primary listing on the Stock Exchange to buy-back their securities on the Stock Exchange subject to certain restrictions.

(i) Shareholders' approval

The Listing Rules provide that all proposed buy-backs of shares (which must be fully paid up in the case of shares) by a company with a primary listing on the Stock Exchange must be approved in advance by an ordinary resolution of the shareholders, either by way of general mandate or by specific approval of a particular transaction.

Note: Pursuant to the written resolutions passed by our sole Shareholder on October 5, 2020, a general unconditional mandate (the "**Buy-back Mandate**") was given to our Directors to exercise all powers of our Company to buy-back on the Stock Exchange, or any other stock exchange on which the Shares may be listed and which is recognized by the SFC and the Stock Exchange for this purpose, Shares representing up to 10% of the total number of our Shares in issue immediately following completion of the Global Offering and the Capitalization Issue but excluding the Shares which may be allotted and issued pursuant to the exercise of the Over-allotment Option and any Shares which may be issued upon the exercise of any options which may be granted under the Share Option Scheme, and the Buy-back Mandate shall remain in effect until the conclusion of the next year annual general meeting of our Company, or the date by which the next annual general meeting of our Company is required by the Articles or any applicable law(s) to be held, or the passing of an ordinary resolution by the Articles or any applicable law(s) to be held, or the passing of an ordinary resolution by Shareholders in general meeting revoking or varying the authority given to our Directors, which occurs first.

(ii) Source of funds

Buy-backs must be funded out of funds legally available for the purpose in accordance with the Articles and the laws of Cayman Islands. A listed company may not buy-back its own shares on the Stock Exchange for a consideration other than cash or for settlement otherwise than in accordance with the trading rules of the Stock Exchange.

Under the Cayman Islands laws, any buy-back(s) by our Company may be made out of profits of our Company, out of our Company's share premium account or out of the proceeds of a fresh issue of Shares made for the purpose of the buy-back. Any premium payable on a purchase over the par value of the Shares to be purchased must be provided for out of either or both of the profits of our Company or the share premium account of our Company. Subject to the provisions of the Cayman Islands Companies Law, a repurchase of Shares may also be paid out of capital.

(iii) Core connected persons

The Listing Rules prohibit our Company from knowingly repurchasing the Shares on the Stock Exchange from a "core connected person", which includes a Director, chief executive or substantial Shareholder of our Company or any of the subsidiaries or a close associate of any of them and a core connected person shall not knowingly selling Shares to our company.

(b) Reasons for buy-backs

Our Directors believe that it is in the best interests of our Company and our Shareholders as a whole for our Directors to have a general authority from our Shareholders to enable our Company to buy-back Shares in the market. Such buy-backs may, depending on the market conditions and funding arrangements at the time, lead to an enhancement of our Company's net asset value per Share and/or its earnings per Share and will only be made when our Directors believe that such buy-backs will benefit our Company and our Shareholders.

(c) Funding of buy-backs

In buying-back Shares, our Company may only apply funds legally available for such purpose in accordance with the Articles, the Listing Rules and the applicable laws of the Cayman Islands.

On the basis of the current financial position of our Group as disclosed in this Prospectus and taking into account the current working capital position of our Company, our Directors consider that, if the Buy-back Mandate were to be exercised in full, it might have a material adverse effect on the working capital and/or the gearing position of our Group as compared to the position disclosed in this Prospectus. Therefore, our Directors do not propose to exercise the Buy-back Mandate to such an extent as would, in the circumstances, have a material adverse effect on the working capital requirements or the gearing levels of our Group which in the opinion of our Directors are from time to time appropriate for our Group.

The exercise in full of the Buy-back Mandate, on the basis of 4,000,000,000 Shares in issue immediately after the Listing, would result in up to 400,000,000 Shares being bought back by our Company during the period in which the Buy-back Mandate remains in force.

(d) General

None of our Directors nor, to the best of their knowledge, information and belief and having made all reasonable enquiries, any of their close associates (as defined in the Listing Rules), has any present intention if the Buy-back Mandate is exercised to sell any Share(s) to our Company or our subsidiaries.

Our Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the Buy-back Mandate in accordance with the Articles, the Listing Rules and the applicable laws of the Cayman Islands.

If as a result of a buy-back of Shares pursuant to the Buy-back Mandate, a Shareholder's proportionate interest in the voting rights of our Company increases, such increase will be treated as an acquisition for the purpose of the Takeovers Code. Accordingly, a Shareholder or a group of Shareholders acting in concert, depending on the level of increase of the Shareholders' interest, could obtain or consolidate control of our Company and become obliged to make a mandatory offer in accordance with

Rule 26 of the Takeovers Code as a result of any such increase. Save as disclosed above, our Directors are not aware of any consequence which would arise under the Takeovers Code as a result of a buy-back pursuant to the Buy-back Mandate.

Our Directors will not exercise the Buy-back Mandate if the buy-back would result in the number of Shares which are in the hands of the public falling below 25% of the total number of Shares in issue (or such other percentage as may be prescribed as the minimum public shareholding under the Listing Rules).

No core connected person of our Company has notified our Company that he/she/it has a present intention to sell Shares to our Company, or has undertaken not to do so if the Buy-back Mandate is exercised.

B. FURTHER INFORMATION ABOUT OUR BUSINESS

1. Summary of material contracts

The following contracts (not being contracts in the ordinary course of business) have been entered into by members of our Group within the two years preceding the date of this Prospectus that are or may be material:

(a) an equity transfer agreement dated October 24, 2018 entered into between 西安盛邦置業有限公司 (Xi'an Shengbang Real Estate Co., Ltd.) ("**Xi'an Shengbang**") and 西安金輝房地產開發有限公司 (Xi'an Jinhui Properties Development Co., Ltd.) ("**Xi'an Jinhui Properties**") pursuant to which Xi'an Shengbang transferred 25% of the equity interest in 西安輝耀房地產開發有限公司 (Xi'an Huiyao Properties Development Co., Ltd.) to Xi'an Jinhui Properties at a consideration of RMB5,000,000;

(b) an equity transfer agreement dated November 14, 2018 entered into between 北京乾景房地產開發有限公司 (Beijing Qianjing Properties Development Co., Ltd.) ("**Beijing Qianjing**") and Beijing Ronghui Real Estate pursuant to which Beijing Qianjing transferred 49% of the equity interest in 北京居業置業有限公司 (Beijing Juye Real Estate Co., Ltd) ("**Beijing Juye Real Estate**") to Beijing Ronghui Real Estate at a consideration of RMB2,313,851,000;

(c) an equity transfer agreement dated November 26, 2018 entered into among 北京美瑞泰富置業有限公司 (Beijing Meirui Taifu Real Estate Co., Ltd.) ("**Beijing Meirui**"), Beijing Ronghui Real Estate and Beijing Juye Real Estate pursuant to which Beijing Meirui transferred 2.91% of the equity interest in Beijing Juye Real Estate to Beijing Ronghui Real Estate at a consideration of RMB133,614,500;

(d) an equity transfer agreement dated December 28, 2018 entered into between Suzhou Jinhui Juye and 中新蘇州工業園區市政公用發展集團有限公司 (Zhongxin Suzhou Industrial Park Municipal Public Development Group Co., Ltd.) ("**Zhongxin Suzhou**") pursuant to which Zhongxin Suzhou transferred 49% of the equity interest in 蘇州金輝新園置業有限公司 (Suzhou Jinhui Xinyuan Real Estate Co., Ltd.) to Suzhou Jinhui Juye at a consideration of RMB24,523,000;

(e) an equity transfer agreement dated December 28, 2018 entered into between Suzhou Jinhui Juye and Zhongxin Suzhou pursuant to which Zhongxin Suzhou transferred 30% of the equity interest in 蘇州金輝華園置業有限公司 (Suzhou Jinhui Huayuan Real Estate Co., Ltd.) to Suzhou Jinhui Juye at a consideration of RMB34,721,200;

(f) an equity transfer agreement dated January 24, 2019 entered into between Mr. Ye Zhuodi (葉卓迪) and 深圳市金輝投資有限公司 (Shenzhen Jinhui Investment Co., Ltd.) ("**Shenzhen Jinhui Investment**") pursuant to which Mr. Ye Zhuodi transferred 70% of the equity interest in 惠州市恆興業房地產開發有限公司 (Huizhou Hengxingye Properties Development Co., Ltd.) to Shenzhen Jinhui Investment at a consideration of RMB1,000;

(g) an equity transfer agreement dated January 24, 2019 entered into between Mr. Ye Rongfa (葉榮發) and Shenzhen Jinhui Investment pursuant to which Mr. Ye Rongfa transferred 10% of the equity interest in 惠州市恆興業房地產開發有限公司 (Huizhou Hengxingye Properties Development Co., Ltd.) to Shenzhen Jinhui Investment at a consideration of RMB1,000;

(h) an equity transfer agreement dated January 31, 2019 entered into between Xi'an Jinhui Properties and Mr. Huang Wenxiang (黃文祥) pursuant to which Mr. Huang Wenxiang transferred 10% of the equity interest in 西安耀葳置業有限公司 (Xi'an Yaowei Real Estate Co., Ltd.) to Xi'an Jinhui Properties at a consideration of RMB 5 million;

(i) an equity transfer agreement dated January 31, 2019 entered into between Xi'an Jinhui Properties and 陝西天宇實業投資有限公司 (Shaanxi Tianyu Industrial Investment Co., Ltd.) ("**Shaanxi Tianyu**") pursuant to which Shaanxi Tianyu transferred 90% of the equity interest in 西安耀葳置業有限公司 (Xi'an Yaowei Real Estate Co., Ltd.) to Xi'an Jinhui Properties at a consideration of RMB45 million;

(j) an equity transfer agreement dated April 28, 2019 entered into between 福建鑫華通明投資有限公司 (Fujian Xinhua Tongming Investment Co., Ltd.) ("**Fujian Xinhua**") and 福州融輝房地產有限公司 (Fuzhou Ronghui Properties Co., Ltd.) pursuant to which Fujian Xinhua transferred 45% of the equity interest in 福建鑫聯輝房地產開發有限公司 (Fujian Xinlianhui Properties Development Co., Ltd.) to Fuzhou Ronghui at a consideration of RMB1;

(k) an equity transfer agreement dated April 28, 2019 entered into between 福建省石獅新聯邦房地產開發有限公司 (Fujian Shishi Xinlianbang Properties Development Co., Ltd.) ("**Fujian Shishi**") and 福州融輝房地產有限公司 (Fuzhou Ronghui Properties Co., Ltd.) pursuant to which Fujian Shishi transferred 25% of the equity interest in 福建鑫聯輝房地產開發有限公司 (Fujian Xinlianhui Properties Development Co., Ltd.) to Fuzhou Ronghui at a consideration of RMB1;

(l) an equity transfer agreement dated May 9, 2020 entered into between 福清金輝房地產開發有限公司 (Fuqing Jinhui Properties Development Co., Ltd.) ("**Fuqing Jinhui**") and 福清市海宸投資有限公司 (Fuqing Haichen Investment Co., Ltd.) ("**Fuqing Haichen**") pursuant to which Fuqing Haichen transferred 49% of the equity interest in 福清京海房地產開發有限公司 (Fuqing Jinghai Property Development Co., Ltd.) ("**Fuqing Jinghai**") to Fuqing Jinhui at nil consideration;

(m) an equity transfer agreement dated May 18, 2020 entered into between Fuqing Jinhui and Fuqing Haichen pursuant to which Fuqing Jinhui transferred 49% of the equity interest in Fuqing Jinghai to Fuqing Haichen at nil consideration;

(n) an equity transfer agreement dated May 8, 2019 entered into between 西安嘉天實業有限公司 (Xi'an Jiatian Industrial Co., Ltd.) ("**Xi'an Jiatian**") and Xi'an Jinhui Properties pursuant to which Xi'an Jiatian transferred 20% of the equity interest in 西安嘉磐置業有限公司 (Xi'an Jiapan Real Estate Co., Ltd) ("**Xi'an Jiapan**") to Xi'an Jinhui Properties at a consideration of RMB10,000,000;

(o) an equity transfer agreement dated June 10, 2019 entered into between 武漢利嘉天和置業有限公司 (Wuhan Lijia Tianhe Real Estate Co., Ltd.) ("**Wuhan Lijia Tianhe**") and 武漢金輝置業有限公司 (Wuhan Jinhui Real Estate Co., Ltd.) pursuant to which Wuhan Lijia Tianhe transferred 50% of the equity interest in 武漢耀星房地產開發有限責任公司 (Wuhan Yaoxing Real Estate Development Co., Ltd.) to 武漢金輝置業有限公司 (Wuhan Jinhui Real Estate Co., Ltd.) at a consideration of RMB50,000,000;

(p) an equity transfer agreement dated July 1, 2019 entered into between Suzhou Jinhui Juye and 蘇州輝弘源企業管理諮詢有限公司 (Suzhou Huihongyuan Enterprise Management Consulting Co., Ltd.) ("**Suzhou Huihongyuan**") pursuant to which Suzhou Jinhui Juye transferred 30% of the equity interest in 蘇州京弘源企業管理諮詢有限公司 (Suzhou Jinghongyuan Enterprise Management Consulting Co., Ltd.) to Sushou Huihongyuan at a consideration of RMB90,000,000;

(q) an equity transfer agreement dated August 22, 2019 entered into between Mr. Zhao Jianxin (趙建新) and Shenzhen Jinhui Investment pursuant to which Mr. Zhao Jianxin transferred 20% of the equity interest in 惠州市譽誠達房地產有限公司 (Huizhou Yuchengda Properties Development Co., Ltd.) to Shenzhen Jinhui Investment at a consideration of RMB1,000;

(r) an equity transfer agreement dated August 22, 2019 entered into between Mr. Zhong Yongxin (鍾勇新) and Shenzhen Jinhui Investment pursuant to which Mr. Zhong Yongxin transferred 60% of the equity interest in 惠州市譽誠達房地產有限公司 (Huizhou Yuchengda Properties Development Co., Ltd.) to Shenzhen Jinhui Investment at a consideration of RMB1,000;

(s) an equity transfer agreement dated August 25, 2019 entered into between Ms. Zhang Huiyan (張惠艷) and Shenzhen Jinhui Investment pursuant to which Ms. Zhang Huiyan transferred 20% of the equity interest in 惠州市恆興業房地產開發有限公司 (Huizhou Hengxingye Properties Development Co., Ltd.) to Shenzhen Jinhui Investment at a consideration of RMB7.5 million;

(t) an equity transfer agreement dated October 25, 2019 entered into between Mr. Zhong Yongxin (鍾勇新) and Shenzhen Jinhui Investment pursuant to which Mr. Zhong Yongxin transferred 12% of the equity interest in 惠州市升捷房地產開發有限公司 (Huizhou Shengjie Properties Development Co., Ltd.) to Shenzhen Jinhui Investment at a consideration of RMB31.2 million;

(u) an equity transfer agreement dated October 25, 2019 entered into between Mr. Zhao Jianxin (趙建新) and Shenzhen Jinhui Investment pursuant to which Mr. Zhao Jianxin transferred 8% of the equity interest in 惠州市升捷房地產開發有限公司 (Huizhou Shengjie Properties Development Co., Ltd.) to Shenzhen Jinhui Investment at a consideration of RMB20.8 million;

(v) an equity transfer agreement dated November 12, 2019 entered into between 福建鑫華通明投資有限公司 (Fujian Xinhua Tongming Investment Co., Ltd.) ("**Fujian Xinhua**") and Fujian Shishi pursuant to which Fujian Shishi transferred 15% of the equity interest in 福建鑫聯輝房地產開發有限公司 (Fujian Xinlianhui Properties Development Co., Ltd.) to Fujian Xinhua at a consideration of RMB1;

(w) an equity transfer agreement dated October 31, 2019 entered into between 石家莊市天公房地產開發有限公司 (Shijiazhuang Tiangong Properties Development Co., Ltd.) ("**Shijiazhuang Tiangong**") and Beijing Ronghui Real Estate pursuant to which Shijiazhuang Tiangong transferred 20% of the equity interest in 石家莊啟陽房地產開發有限公司 (Shijiazhuang Qiyang Properties Development Co., Ltd.) to Beijing Ronghui at a consideration of RMB1;

(x) an equity transfer agreement dated May 22, 2020 entered into between 深圳市金輝投資有限公司 (Shenzhen Jinhui Investment Co., Ltd.) ("**Shenzhen Jinhui**") and Mr. Zhong Yongxin (鍾勇新) pursuant to which Mr. Zhong Yongxin transferred 80% of the equity interest in 惠州市裕祥鑫房地產有限公司 (Huizhou Yuxiangxin Properties Co., Ltd.) ("**Huizhou Yuxiangxin**") to Shenzhen Jinhui at a consideration of RMB2,000;

(y) an equity transfer agreement dated May 22, 2020 entered into between Shenzhen Jinhui and Mr. Chen Haifeng (陳海峰) pursuant to which Mr. Chen Haifeng transferred 20% of the equity interest in Huizhou Yuxiangxin to Shenzhen Jinhui at a consideration of RMB2,000;

(z) the Deed of Non-competition;

(aa) the Deed of Indemnity; and

(bb) the Hong Kong Underwriting Agreement.

2. Intellectual property rights of our Group

(a) Trademark

As of the Latest Practicable Date, our Group was the registered proprietor of the following trademarks which, in the opinion of our Directors, are material to our business:

No.	Trademark	Registration number	Class	Name of Registered Proprietor	Place of Registration	Date of Registration	Expiry date
1.		12766776	36	Radiance Group	PRC	October 28, 2014	October 27, 2024
2.		12766872	37	Radiance Group	PRC	October 28, 2014	October 27, 2024
3.		12766986	39	Radiance Group	PRC	October 28, 2014	October 27, 2024
4.		12767070	42	Radiance Group	PRC	October 28, 2014	October 27, 2024
5.		12767167	43	Radiance Group	PRC	November 7, 2014	November 6, 2024
6.		12766645	35	Radiance Group	PRC	January 14, 2015	January 13, 2025
7.	金辉	9193056	36	Radiance Group	PRC	April 28, 2012	April 27, 2022
8.	RADIANCE	12766993	39	Radiance Group	PRC	March 28, 2015	March 27, 2025
9.	金辉	12767087	42	Radiance Group	PRC	April 7, 2015	April 6, 2025
10.	金辉	12766759	36	Radiance Group	PRC	April 7, 2015	April 6, 2025
11.	金辉	12766974	39	Radiance Group	PRC	April 7, 2015	April 6, 2025

No.	Trademark	Registration number	Class	Name of Registered Proprietor	Place of Registration	Date of Registration	Expiry date
12.	RADIANCE	12766607	35	Radiance Group	PRC	April 7, 2015	April 6, 2025
13.	RADIANCE	12767049	42	Radiance Group	PRC	April 7, 2015	April 6, 2025
14.	RADIANCE	12767191	43	Radiance Group	PRC	April 7, 2015	April 6, 2025
15.	RADIANCE	12766823	37	Radiance Group	PRC	April 7, 2015	April 6, 2025
16.	RADIANCE	12766792	36	Radiance Group	PRC	August 14, 2015	August 13, 2025
17.	RADIANCE 金辉集团	19444267	36	Radiance Group	PRC	October 14, 2017	October 13, 2027
18.	金辉集团 RADIANCE GROUP	19444333	36	Radiance Group	PRC	October 14, 2017	October 13, 2027
19.	金辉集团 RADIANCE GROUP	19444365	36	Radiance Group	PRC	October 14, 2017	October 13, 2027
20.	金辉集团 RADIANCE GROUP	19444405	37	Radiance Group	PRC	October 14, 2017	October 13, 2027
21.	金辉集团 RADIANCE GROUP	19444523	37	Radiance Group	PRC	October 14, 2017	October 13, 2027
22.	RADIANCE 金辉集团	19444526	37	Radiance Group	PRC	August 21, 2017	August 20, 2027
23.	RADIANCE 金辉集团	19444562	39	Radiance Group	PRC	October 14, 2017	October 13, 2027

As of the Latest Practicable Date, our Group had applied for the registration of the following trademarks in Hong Kong which, in the opinion of our Directors, are material to our Group's business:

No.		Trademark	Application number	Class	Name of applicant	Place of application	Date of application
1	(A)	RADIANCE GROUP	KW/8504/2020/TM	35,36,37,42	Company	Hong Kong	March 13, 2020
	(B)	RADIANCE GROUP					
	(C)	RADIANCE GROUP					
	(D)	RADIANCE GROUP					
2	(A)	RADIANCE HOLDINGS	KW/8505/2020/TM	35,36,37,42	Company	Hong Kong	March 13, 2020
	(B)	RADIANCE HOLDINGS					
	(C)	RADIANCE HOLDINGS					

No.		Trademark	Application number	Class	Name of applicant	Place of application	Date of application
	(D)	RADIANCE HOLDINGS					
3	(A)	RADIANCE HOLDINGS (GROUP)	KW/8506/2020/TM	35,36,37,42	Company	Hong Kong	March 13, 2020
	(B)	RADIANCE HOLDINGS (GROUP)					
	(C)	RADIANCE HOLDINGS (GROUP)					
	(D)	RADIANCE HOLDINGS (GROUP)					
4	(A)	RADIANCE HOLDINGS GROUP	KW/8507/2020/TM	35,36,37,42	Company	Hong Kong	March 13, 2020
	(B)	RADIANCE HOLDINGS GROUP					
	(C)	RADIANCE HOLDINGS GROUP					
	(D)	RADIANCE HOLDINGS GROUP					
5	(A)	金輝控股	KW/8508/2020/TM	35,36,37,42	Company	Hong Kong	March 13, 2020
	(B)	金辉控股					
	(C)	金輝控股					
	(D)	金辉控股					
6	(A)	金輝控股(集團)	KW/8509/2020/TM	35,36,37,42	Company	Hong Kong	March 13, 2020
	(B)	金辉控股(集团)					
	(C)	金輝控股(集團)					
	(D)	金辉控股(集团)					
7	(A)	金輝控股集團	KW/8510/2020/TM	35,36,37,42	Company	Hong Kong	March 13, 2020
	(B)	金辉控股集团					
	(C)	金輝控股集團					
	(D)	金辉控股集团					
8	(A)	金輝集團	KW/8511/2020/TM	35,36,37,42	Company	Hong Kong	March 13, 2020
	(B)	金辉集团					
	(C)	金輝集團					
	(D)	金辉集团					

As of the Latest Practicable Date, our Group had been granted a license to use the following trademarks:

No.	Trademark	Registration number	Class	Name of Registered Proprietor	Place of Registration	Date of Registration	Expiry date
1.		30260734	35, 36, 37, 42	Radiance Group Holdings	Hong Kong	June 25, 2013	June 24, 2023
2.	RADIANCE RADIANCE RADIANCE	302650743	35, 36, 37, 42	Radiance Group Holdings	Hong Kong	June 25, 2013	June 24, 2023
3.	金輝地產 金辉地产 金輝地產 金辉地产	302650725	35, 36, 37, 42	Radiance Group Holdings	Hong Kong	June 25, 2013	June 24, 2023
4.	RADIANCE 金輝地產 RADIANCE 金輝地產 RADIANCE 金辉地产 RADIANCE 金辉地产	302650752	35, 36, 37, 42	Radiance Group Holdings	Hong Kong	June 25, 2013	June 24, 2023
5.	金輝地產	304192371	35, 36, 37, 42	Radiance Group Holdings	Hong Kong	June 30, 2017	June 29, 2027
6.	RADIANCE	304192524	35, 36, 37, 42	Radiance Group Holdings	Hong Kong	June 30, 2017	June 29, 2027

(b) Domain name

As of the Latest Practicable Date, our Group was the registered proprietor of the following domain name which, in the opinion of our Directors, is material to our Group's business:

No.	Domain name	Name of registered proprietor	Date of registration	Expiry date
1.	radiance.com.cn	Radiance Group	July 20, 2013	July 20, 2025
2.	radiance.cn	Radiance Group	July 20, 2016	July 20, 2028

C. FURTHER INFORMATION ABOUT OUR DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

1. Particulars of Directors' service contracts

Our executive Directors' service contracts have a term of three years commencing from the Listing Date and may be terminated by either party by giving not less than three calendar months' notice in writing. In certain other circumstances, the service contract can also be terminated by us, including but not limited to certain breaches of our Directors' obligations under the contract or certain misconducts. The appointments of our executive Directors are also subject to the provisions of retirement and rotation of Directors under the Articles. The salary of each executive Director after each financial year is subject to adjustment as determined by our Company's remuneration committee and approved by a majority of the members of the Board (excluding our Director whose salary is under review).

Each of our independent non-executive Directors has entered into a letter of appointment with our Company for a period of three years commencing from the Listing Date and may be terminated by either party by giving at least three months' notice. The appointments of the independent non-executive Directors are also subject to the provisions of retirement and rotation of Directors under the Articles. Pursuant to the terms of the letters of appointment, each of our independent non-executive Directors is entitled to a director's fee of HK$300,000 per annum.

Save for the above director's fee, none of our independent non-executive Directors is expected to receive any other remuneration for holding their office as an independent non-executive Director.

Save as disclosed above, none of our Directors has or is proposed to have a service contract with any member of our Group, other than contracts expiring or determinable by the employer within one year without the payment of compensation (other than statutory compensation).

2. Directors' remuneration

(a) For the three years ended December 31, 2019 and the four months ended April 30, 2020, the aggregate amount of salaries, allowances, discretionary bonus, pension-defined contribution plans and other benefits in kind (if applicable) granted by us to our Directors was approximately RMB4.1 million, RMB4.0 million, RMB4.0 million and RMB1.3 million, respectively.

(b) For the three years ended December 31, 2019, no emolument had been paid and no benefits in kind had been granted by our Group to our Directors at the time.

(c) Under the arrangements currently in force, the aggregate emoluments (excluding discretionary bonus) payable by our Group to and benefits in kind receivable by our Directors (including our independent non-executive Directors in their respective capacity as Directors) for the year ending December 31, 2020 are expected to be approximately RMB4.6 million.

(d) For the three years ended December 31, 2019, none of our Directors at the time or any past directors of any member of our Group has been paid any sum of money (i) as an inducement to join or upon joining our Group; or (ii) for loss of office as a director of any member of our Group or of any other office in connection with the management of the affairs of any member of our Group.

(e) There has been no arrangement under which a Director at the time has waived or agreed to any emoluments for the three years ended December 31, 2019.

3. Disclosure of Directors' interests

Immediately following completion of the Global Offering and the Capitalization Issue (assuming that the Over-allotment Option is not exercised and without taking into account any Shares which may be issued pursuant to the exercise of any options which may be granted under the Share Option Scheme), the interests or short positions of our Directors and the chief executives of our Company in the Shares, underlying shares and debentures of our Company and its associated corporations (within the meaning of Part XV of the SFO) which will have to be notified to our Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which he is taken or deemed to have under such provisions of the SFO), or which will be required, pursuant to section 352 of the SFO, to be recorded in the register referred to therein, or which will be required to be notified to our Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers contained in the Listing Rules, in each case once the Shares are listed on the Stock Exchange, will be as follows:

(i) Interest in our Company

Name of Director	Name of interest	Number of Shares[(1)]	Approximate percentage of shareholding in our Company
Mr. Lam[(2)]	Interest in a controlled corporation	3,400,000,000(L)	85%

Notes:

(1) The letter "L" denotes the person's long position in our Shares.

(2) The 3,400,000,000 Shares are owned by Glowing Shine. Glowing Shine is wholly-owned by Radiance Group Holdings. Radiance Group Holdings is owned as to 64.97% by Mr. Lam and 35.03% by Ms. Lam, the spouse of Mr. Lam. By virtue of the SFO, each of Mr. Lam and Ms. Lam is deemed to be interested in the Shares held by Glowing Shine.

(ii) Interest in the shares and underlying shares of our Company's associated corporations

Name of Director	Name of associated corporation	Nature of interest	Number of Shares/amount of paid-up registered capital held[(1)]	Percentage of shareholding
Mr. Lam	Radiance Group Holdings[(2)]	Beneficial owner	6,172,150(L)	64.97%

Notes:

(1) The letter "L" denotes the person's long position.

(2) Immediately following completion of the Global Offering and the Capitalization Issue (assuming that the Over-allotment Option is not exercised and without taking into account any Shares which may be issued upon the exercise of any options which may be granted under the Share Option Scheme), Glowing Shine holds 85% of the issued share capital of our Company. Glowing Shine is wholly-owned by Radiance Group Holdings. Radiance Group Holdings is owned as to 64.97 % by Mr. Lam and 35.03 % by Ms. Lam, the spouse of Mr. Lam.

(iii) Interest in the debentures of our Company's associated corporations

Name of Director	Name of associated corporation	Nature of interest	Amount of debentures held[1]	Class of debenture	Approximately percentage of total debenture of the associated corporation
Mr. Lam Yu	Radiance Capital Investment	Beneficial owner	USD20,000,000(L)	Freely transferrable and non-convertible	2.50%

Notes:

(1) The letter "L" denotes the person's long position.

4. Substantial Shareholders

(a) Interests of the substantial Shareholders in the Shares

Save as disclosed in the section headed "Substantial Shareholders" in this Prospectus, our Directors are not aware of any person (other than our Director or chief executive of our Company) who will, immediately following completion of the Global Offering and the Capitalization Issue (assuming that the Over-allotment Option is not exercised and without taking into account any Shares which may be issued pursuant to the exercise of any options which may be granted under the Share Option Scheme), have interests or short positions in our Shares or underlying Shares which would be required to be disclosed to us and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or who is, directly or indirectly, interested in 10% or more of the issued voting shares of our Company.

(b) Interests of the substantial shareholders of other members of our Group

As of the Latest Practicable Date, so far as our Directors are aware, the following persons (other than our Directors or chief executive of our Company) were interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of other member of our Group:

Name of members of our Group	Name of Shareholder	Approximate percentage of shareholding
蘇州京弘源企業管理諮詢有限公司 (Suzhou Jinghongyuan Enterprise Management Consulting Co., Ltd.)	蘇州輝弘源企業管理諮詢有限公司 (Suzhou Huihongyuan Enterprise Management Consulting Co., Ltd.)	30%
揚州萬景置業有限公司 (Yangzhou Wanjing Real Estate Co., Ltd.)	揚州鵬卓企業管理諮詢有限公司 (Yangzhou Pengzhuo Enterprise Management Consulting Co., Ltd.)	22%
	揚州新碧置業有限公司 (Yangzhou Xinbi Real Estate Co., Ltd.)	22%

Name of members of our Group	Name of Shareholder	Approximate percentage of shareholding
杭州興博企業管理諮詢有限公司 (Hangzhou Xingbo Enterprise Management Consulting Co., Ltd.)	杭州瑞帆影視文化有限公司 (Hangzhou Ruifan Movie Culture Co., Ltd.)	45%
淮安啟輝房地產有限公司 (Huai'an Qihui Properties Co., Ltd.)	鹽城晉兆企業管理有限公司 (Yancheng Jinzhao Enterprise Management Co., Ltd.)	40%
淮安詳通企業管理諮詢有限公司 (Huai'an Xiangtong Enterprise Management Consulting Co., Ltd.)	淮安同邦企業管理諮詢有限公司 (Huai'an Tongbang Enterprise Management Consulting Co., Ltd.)	45%
石家莊啓陽房地產開發有限公司 (Shijiazhuang Qiyang Properties Development Co., Ltd.)	石家莊市天公房地產開發有限公司 (Shijiazhuang Tiangong Properties Development Co., Ltd.)	20%
石家莊金輝房地產開發有限公司 (Shijiazhuang Jinhui Properties Development Co., Ltd.)	北京金科展昊置業有限公司 (Beijing Jinke Zhanhao Real Estate Co., Ltd.)	30.33%
石家莊金輝天寧房地產開發有限公司 (Shijiazhuang Jinhui Tianning Properties Development Co., Ltd.)	北京金科展昊置業有限公司 (Beijing Jinke Zhanhao Real Estate Co., Ltd.)	22.5%
	河北潤灝房地產開發有限公司 (Hebei Runhao Properties Development Co., Ltd.)	21.6%
石家莊金輝迎旭房地產開發有限公司 (Shijiazhuang Yingxu Properties Development Co., Ltd.)	北京金科展昊置業有限公司 (Beijing Jinke Zhanhao Real Estate Co., Ltd.)	29.7%
石家莊啓輝房地產開發有限公司 (Shijiazhuang Qihui Properties Development Co., Ltd.)	三明市沙縣豐匯企業管理服務中心（普通合夥）(Sanming Shaxian Fenghui Enterprise Management Service Center (General Partnership))	33%
西安宇盛置業有限公司 (Xi'an Yusheng Real Estate Co., Ltd.)	陝西坤朗房地產開發有限公司 (Shaanxi Kunlang Properties Development Co., Ltd.)	49%
西安商輝金泰置業有限責任公司 (Xi'an Shanghui Jintai Real Estate Co., Ltd.)	陝西商泰置業有限公司 (Shaanxi Shangtai Real Estate Co., Ltd.)	25%
西安錦祺鵬宇置業有限公司 (Xi'an Jinqi Pengyu Real Estate Co., Ltd.)	西安榮華集團有限公司 (Xi'an Ronghua Group Co., Ltd.)	20%
Rongqiao Fuzhou Real Estate	Camden Limited	40%
合肥盛卓房地產開發有限公司 (Hefei Shengzhuo Properties Development Co., Ltd.)	合肥旭輝企業管理有限公司 (Hefei Xuhui Corporate Management Co., Ltd.)	15.2%
	合肥新城創置房地產有限公司 (Hefei Xincheng Chuangzhi Properties Co., Ltd.)	20%

Name of members of our Group	Name of Shareholder	Approximate percentage of shareholding
安徽皖輝置業有限公司 (Anhui Wanhui Real Estate Co., Ltd.)	安徽梁和商業管理有限公司 (Anhui Lianghe Commercial Management Co., Ltd.)	30%
福清金利方園房地產有限公司 (Fuqing Jinli Fangyuan Properties Co., Ltd.)	福州市乾茂投資有限公司 (Fuzhou Qianmao Investment Co., Ltd.)	32%
福清金福新茂房地產有限公司 (Fuqing Jinfu Xinmao Properties Co., Ltd.)	河南中嶽麗峰實業有限公司 (Henan Zhongyue Lifeng Industrial Co., Ltd.)	25%
	福清福澤投資有限公司 (Fuqing Fuze Investment Co., Ltd.)	25%
福清金宸房地產開發有限公司 (Fuqing Jinchen Properties Development Co., Ltd.)	福清市海宸投資有限公司 (Fuqing Haichen Investment Co., Ltd.)	49%
福清京海房地產開發有限公司 (Fuqing Jinghai Properties Development Co., Ltd.)	福清市海宸投資有限公司 (Fuqing Haichen Investment Co., Ltd.	49%
福清金海房地產開發有限公司 (Fuqing Jinhai Properties Development Co., Ltd.)	福清市海宸投資有限公司 (Fuqing Haichen Investment Co., Ltd.)	30%
惠州市譽誠達房地產有限公司 (Huizhou Yuchengda Propertied Co., Ltd.)	鍾勇新 (Mr. Zhong Yongxin)	20%
重慶金輝星耀房地產開發有限公司 (Chongqing Jinhui Xingyao Properties Development Co., Ltd.)	重慶置盛泓熠企業管理有限公司 (Chongqing Shenghongyi Enterprise Management Co. Ltd.)	49.9%
重慶輝德睿房地產開發有限公司 (Chongqing Huiderui Properties Development Co., Ltd.)	重慶德睿輝實業有限公司 (Chongqing Deruihui Industrial Co., Ltd.)	40%
重慶金永禾房地產開發有限公司 (Chongqing Jinyonghe Properties Development Co., Ltd.)	重慶金科匯茂房地產開發有限公司 (Chongqing Jinke Huimao Properties Development Co., Ltd.)	49%
	福建友興投資有限公司 (Fujian Youxing Investment Co., Ltd.)	30%
Wuhan Yaoxing Properties Development	福建友興投資有限公司(Fujian Youxing Investment Co., Ltd.)	20%
	武漢茂田置業投資有限責任公司 (Wuhan Maotian Properties Investment Co., Ltd.)(Note)	15%

Note: The 15% equity interest of Wuhan Yaoxing Properties Development is held by Wuhan Jinhui Real Estate on trust on behalf of 武漢茂田置業投資有限責任公司 (Wuhan Maotian Properties Investment Co., Ltd.).

5. Disclaimers

Save as disclosed in this Prospectus,

(a) none of our Directors or chief executive of our Company has any interests and short positions in the Shares, underlying shares and debentures of our Company or any associated corporation (within the meaning of Part XV of the SFO) which will have to be notified to our Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which he is taken or deemed to have taken under such provisions of the SFO) or which will be required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or will be required, pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers to be notified to our Company and the Stock Exchange, in each case once the Shares are listed on the Stock Exchange;

(b) so far as is known to any of our Directors or chief executive of our Company, no person has an interest or short position in the Shares and underlying shares of our Company which would fall to be disclosed under the provisions of Divisions 2 and 3 of Part XV of the SFO, or is directly or indirectly interested in 10% or more of the number of shares carrying rights to vote in all circumstances at general meetings of any other member of our Group;

(c) none of our Directors nor any of the persons listed in the sub-section headed "Qualifications and consents of experts" below is interested, directly or indirectly, in the promotion of, or in any assets which have been, within the two years immediately preceding the issue of this Prospectus, acquired or disposed of by or leased to any member of our Group, or are proposed to be acquired or disposed of by or leased to any member of our Group;

(d) none of our Directors or the persons listed in the sub-section headed "Qualifications and consents of experts" below is materially interested in any contract or arrangement with our Group subsisting at the date of this Prospectus which is unusual in its nature or conditions or which is significant in relation to the business of our Group;

(e) none of the persons listed in the sub-section headed "Qualifications and consents of experts" below has any shareholding in any member of our Group or the right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of our Group;

(f) none of our Directors has entered or has proposed to enter into any service agreements with our Company or any member of our Group (other than contracts expiring or determinable by the employer within one year without payment of compensation other than statutory compensation); and

(g) so far as is known to our Directors, none of our Directors or their associates or any shareholder of our Company (which to the knowledge of our Directors owns 5% or more of the issued share capital of our Company) has any interest in any of the five largest suppliers or customers of our Group.

D. SHARE OPTION SCHEME

1. Share Option Scheme

The following is a summary of the principal terms of the Share Option Scheme conditionally adopted by the written resolutions of our sole Shareholders passed on October 5, 2020.

(a) Purpose

The Share Option Scheme is a share incentive scheme prepared in accordance with Chapter 17 of the Listing Rules and is established to recognize and acknowledge the contributions that the Eligible

Participants (as defined in paragraph (b) below) had or may have made to our Group. The Share Option Scheme will provide the Eligible Participants an opportunity to have a personal stake in our Company with the view to achieving the following objectives:

(i) motivate the Eligible Participants to optimize their performance efficiency for the benefit of our Group; and

(ii) attract and retain or otherwise maintain an on-going business relationship with the Eligible Participants whose contributions are or will be beneficial to the long-term growth of our Group.

(b) Who may join

The Board may, at its discretion, offer to grant an option to the following persons (collectively the "**Eligible Participants**") to subscribe for such number of new Shares as the Board may determine at an exercise price determined in accordance with paragraph (f) below:

(i) any full-time or part-time employees, executives or officers of our Company or any of its subsidiaries;

(ii) any directors (including independent non-executive directors) of our Company or any of its subsidiaries; and

(iii) any advisors, consultants, suppliers, customers, distributors and such other persons who in the sole opinion of the Board will contribute or have contributed to our Company or any of its subsidiaries.

Upon acceptance of the option, the grantee shall pay HK$1.00 to our Company by way of consideration for the grant. Any offer to grant an option to subscribe for Shares may be accepted in respect of less than the number of Shares for which it is offered provided that it is accepted in respect of a board lot of dealing in Shares on the Stock Exchange or an integral multiple thereof and such number is clearly stated in the duplicate offer document constituting the acceptance of the option. To the extent that the offer to grant an option is not accepted by any prescribed acceptance date, it shall be deemed to have been irrevocably declined.

(c) Acceptance of an offer of options

An option shall be deemed to have been granted and accepted by the grantee and to have taken effect when the duplicate offer document constituting acceptances of the options duly signed by the grantee, together with a remittance in favor of our Company of HK$1.00 by way of consideration for the grant thereof, is received by our Company on or before the relevant acceptance date. Such payment shall in no circumstances be refundable. Any offer to grant an option to subscribe for Shares may be accepted in respect of less than the number of Shares for which it is offered provided that it is accepted in respect of a board lot for dealing in Shares on the Stock Exchange or an integral multiple thereof and such number is clearly stated in the duplicate offer document constituting acceptance of the option. To the extent that the offer to grant an option is not accepted by any prescribed acceptance date, it shall be deemed to have been irrevocably declined.

Subject to paragraphs (l), (m), (n), (o) and (p), an option shall be exercised in whole or in part and, other than where it is exercised to the full extent outstanding, shall be exercised in integral multiples of such number of Shares as shall represent one board lot for dealing in Shares on the Stock Exchange for the time being, by the grantee by giving notice in writing to our Company stating that the option is thereby exercised and the number of Shares in respect of which it is exercised. Each such notice must be accompanied by a remittance for the full amount of the exercise Price for our Shares in respect of which the notice is given. Within 21 days after receipt of the notice and the remittance and, where appropriate, receipt of the certificate by the auditors to our Company or the approved independent financial advisor as the case may be pursuant to paragraph (r), our Company shall allot and issue the relevant number of Shares to the grantee credited as fully paid and issue to the grantee certificates in respect of our Shares so allotted.

The exercise of any option shall be subject to our Shareholders in general meeting approving any necessary increase in the authorized share capital of our Company.

(d) Maximum number of Shares

The maximum number of Shares in respect of which options may be granted under the Share Option Scheme and under any other share option schemes of our Company must not in aggregate exceed 10% of the total number of Shares in issue immediately following completion of the Global Offering, being 400,000,000 Shares, excluding for this purpose Shares which would have been issuable pursuant to options which have lapsed in accordance with the terms of the Share Option Scheme (or any other share option schemes of our Company). Subject to the issue of a circular by our Company and the approval of our Shareholders in general meeting and/or such other requirements prescribed under the Listing Rules from time to time, the Board may:

(i) renew this limit at any time to 10% of our Shares in issue as at the date of the approval by our Shareholders in general meeting; and/or

(ii) grant options beyond the 10% limit to Eligible Participants specifically identified by the Board. The circular issued by our Company to our Shareholders shall contain a generic description of the specified Eligible Participants who may be granted such options, the number and terms of the options to be granted, the purpose of granting options to the specified Eligible Participants with an explanation as to how the options serve such purpose, the information required under Rule 17.02(2)(d) and the disclaimer required under Rule 17.02(4) of the Listing Rules.

Notwithstanding the foregoing and subject to paragraph (r) below, the maximum number of Shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Share Option Scheme and any other share option schemes of our Company at any time shall not exceed 30% of our Shares in issue from time to time. No options shall be granted under any schemes of our Company (including the Share Option Scheme) if this will result in the 30% limit being exceeded. The maximum number of Shares in respect of which options may be granted shall be adjusted, in such manner as the auditors of our Company or an approved independent financial advisor shall certify to be appropriate, fair and reasonable in the event of any alteration in the capital structure of our Company in accordance with paragraph (r) below whether by way of consolidation, capitalization issue, rights issue, sub-division or reduction of the share capital of our Company but in no event shall exceed the limit prescribed in this paragraph.

(e) Maximum number of options to any one individual

The total number of Shares issued and which may fall to be issued upon exercise of the options granted under the Share Option Scheme and any other share option schemes of our Company (including both exercised and outstanding options) to each Eligible Participant in any 12-month period up to the date of grant shall not exceed 1% of our Shares in issue as at the date of grant. Any further grant of options in excess of this 1% limit shall be subject to:

(i) the issue of a circular by our Company containing the identity of the Eligible Participant, the numbers of and terms of the options to be granted (and options previously granted to such participant), the information as required under Rules 17.02(2)(d) and the disclaimer required under 17.02(4) of the Listing Rules; and

(ii) the approval of our Shareholders in general meeting and/or other requirements prescribed under the Listing Rules from time to time with such Eligible Participant and his associates (as defined in the Listing Rules) abstaining from voting. The numbers and terms (including the exercise price) of options to be granted to such participant must be fixed before our Shareholders' approval and the date of the Board meeting at which the Board proposes to grant the options to such Eligible Participant shall be taken as the date of grant for the purpose of calculating the subscription price of our Shares. The Board shall forward to such Eligible Participant an offer document in such form as the Board may from time to time determine (or, alternatively, documents accompanying the offer document which state), among others:

(aa) the Eligible Participant's name, address and occupation;

(bb) the date on which an option is offered to an Eligible Participant which must be a date on which the Stock Exchange is open for the business of dealing in securities;

(cc) the date upon which an offer for an option must be accepted;

(dd) the date upon which an option is deemed to be granted and accepted in accordance with paragraph (c);

(ee) the number of Shares in respect of which the option is offered;

(ff) the subscription price and the manner of payment of such price for our Shares on and in consequence of the exercise of the option;

(gg) the date of the notice given by the grantee in respect of the exercise of the option; and

(hh) the method of acceptance of the option which shall, unless the Board otherwise determines, be as set out in paragraph (c).

(f) Price of Shares

Subject to any adjustments made as described in paragraph (r) below, the subscription price of a Share in respect of any particular option granted under the Share Option Scheme shall be such price as the Board in its absolute discretion shall determine, save that such price must be at least the higher of:

(i) the official closing price of our Shares as stated in the Stock Exchange's daily quotation sheets on the date of grant, which must be a day on which the Stock Exchange is open for the business of dealing in securities;

(ii) the average of the official closing prices of our Shares as stated in the Stock Exchange's daily quotation sheets for the five business days immediately preceding the date of grant; and

(iii) the nominal value of a Share.

(g) Granting options to connected persons

Any grant of options to a director, chief executive or substantial shareholder (as defined in the Listing Rules) of our Company or any of their respective associates (as defined in the Listing Rules) is required to be approved by the independent non-executive Directors (excluding any independent non-executive Director who is the grantee of the options). If the Board proposes to grant options to a substantial shareholder or any independent non-executive Director or their respective associates (as defined in the Listing Rules) which will result in the number of Shares issued and to be issued upon exercise of options granted and to be granted (including options exercised, cancelled and outstanding) to such person in the 12-month period up to and including the date of such grant:

(i) the details of the number and terms (including the exercise price) of the options to be granted to each selected Eligible Participant which must be fixed before our Shareholders' meeting and the date of Board meeting for proposing such further grant shall be taken as the date of grant for the purpose of calculating the exercise price of such options;

(ii) a recommendation from the independent non-executive Directors (excluding any independent non-executive Director who is the grantee of the options) to the independent Shareholders as to voting;

(iii) the information required under Rule 17.02(2)(c) and (d) and the disclaimer required under Rule 17.02(4) of the Listing Rules; and

(iv) the information required under Rule 2.17 of the Listing Rules.

(h) Restrictions on the times of grant of options

A grant of options may not be made after inside information has come to the knowledge of our Company until it has been published pursuant to the requirements of the Listing Rules and the Inside

Information Provisions of Part XIVA of the SFO. In particular, no options may be granted during the period commencing one month immediately preceding the earlier of:

(i) the date of the Board meeting (as such date to first notified to the Stock Exchange in accordance with the Listing Rules) for the approval of our Company's annual results or half-year, quarterly or other interim period (whether or not required under the Listing Rules); and

(ii) the deadline for our Company to publish an announcement of its annual results or half-year, or quarterly or other interim period (whether or not required under the Listing Rules) and ending on the date of actual publication of the results announcement, and where an option is granted to a Director:

(aa) no options shall be granted during the period of 60 days immediately preceding the publication date of the annual results or, if shorter, the period from the end of the relevant financial year up to the publication date of the results; and

(bb) during the period of 30 days immediately preceding the publication date of the quarterly results (if any) and half-year results or, if shorter, the period from the end of the relevant quarterly or half-year period up to the publication date of the results.

(i) Rights are personal to grantee

An option is personal to the grantee and may be exercised or treated as exercised, as the case may be, in whole or in part. No grantee shall in any way sell, transfer, charge, mortgage, encumber or create any interest (legal or beneficial) in favor of any third party over or in relation to any option or attempt so to do (save that the grantee may nominate a nominee in whose name our Shares issued pursuant to the Share Option Scheme may be registered). Any breach of the foregoing shall entitle our Company to cancel any outstanding options or any part thereof granted to such grantee.

(j) Time of exercise of option and duration of the Share Option Scheme

An option may be exercised in accordance with the terms of the Share Option Scheme at any time after the date upon which the option is deemed to be granted and accepted and prior to the expiry of 10 years from that date. The period during which an option may be exercised will be determined by the Board in its absolute discretion, save that no option may be exercised more than 10 years after it has been granted. No option may be granted more than 10 years after the date of approval of the Share Option Scheme. Subject to earlier termination by our Company in general meeting or by the Board, the Share Option Scheme shall be valid and effective for a period of 10 years from the date of its adoption.

(k) Performance target

A grantee may be required to achieve any performance targets as the Board may then specify in the grant before any options granted under the Share Option Scheme can be exercised.

(l) Rights on ceasing employment or death

If the grantee of an option ceases to be an employee of our Company or any of its subsidiaries:

(i) by any reason other than death or termination of his employment on the grounds specified in paragraph (m) below, the grantee may exercise the option up to the entitlement of the grantee as at the date of cessation (to the extent not already exercised) within a period of one month from such cessation; or

(ii) by reason of death, his personal representative(s) may exercise the option within a period of 12 months from such cessation, which date shall be the last actual working day with our Company or the relevant subsidiary whether salary is paid in lieu of notice or not, failing which it will lapse.

(m) Rights on dismissal

If the grantee of an option ceases to be an employee of our Company or any of its subsidiaries on the grounds that he has been guilty of serious misconduct, or in relation to an employee of our Group (if so determined by the Board) on any other ground on which an employee would be entitled to terminate his employment at common law or pursuant to any applicable laws or under the grantee's service contract with our Group, or has been convicted of any criminal offence involving his integrity or honesty, his option will lapse and not be exercisable after the date of termination of his employment.

(n) Rights on takeover

If a general offer is made to all our Shareholders (or all such Shareholders other than the offeror and/or any person controlled by the offeror and/or any person acting in concert with the offeror (as defined in the Takeovers Codes)) and such offer becomes or is declared unconditional during the option period of the relevant option, the grantee of an option shall be entitled to exercise the option in full (to the extent not already exercised) at any time within 14 days after the date on which the offer becomes or is declared unconditional.

(o) Rights on winding-up

In the event a notice is given by our Company to its members to convene a general meeting for the purposes of considering, and if thought fit, approving a resolution to voluntarily wind-up our Company, our Company shall forthwith give notice thereof to all grantees and thereupon, each grantee (or his legal personal representative(s)) shall be entitled to exercise all or any of his options (to the extent not already exercised) at any time not later than two business days prior to the proposed general meeting of our Company referred to above by giving notice in writing to our Company, accompanied by a remittance for the full amount of the aggregate subscription price for our Shares in respect of which the notice is given, whereupon our Company shall as soon as possible and, in any event, no later than the business day immediately prior to the date of the proposed general meeting, allot the relevant Shares to the grantee credited as fully paid and register the grantee as holder thereof.

(p) Rights on compromise or arrangement between our Company and its members or creditors

If a compromise or arrangement between our Company and its members or creditors is proposed for the purposes of a scheme for the reconstruction of our Company or its amalgamation with any other companies pursuant to the laws of jurisdictions in which our Company was incorporated, our Company shall give notice to all the grantees of the options on the same day as it gives notice of the meeting to its members or creditors summoning the meeting to consider such a scheme or arrangement and any grantee may by notice in writing to our Company accompanied by a remittance for the full amount of the aggregate subscription price for our Shares in respect of which the notice is given (such notice to be received by our Company not later than two business days prior to the proposed meeting), exercise the option to its full extent or to the extent specified in the notice and our Company shall as soon as possible and in any event no later than the business day immediately prior to the date of the proposed meeting, allot and issue such number of Shares to the grantee which falls to be issued on such exercise of the option credited as fully paid and register the grantee as holder thereof.

With effect from the date of such meeting, the rights of all grantees to exercise their respective options shall forthwith be suspended. Upon such compromise or arrangement becoming effective, all options shall, to the extent that they have not been exercised, lapse and determine. If for any reason such compromise or arrangement does not become effective and is terminated or lapses, the rights of grantees to exercise their respective options shall with effect from such termination be restored in full but only upon the extent not already exercised and shall become exercisable.

(q) Ranking of Shares

Our Shares to be allotted upon the exercise of an option will not carry voting rights until completion of the registration of the grantee (or any other person) as the holder thereof. Subject to the aforesaid, Shares allotted and issued on the exercise of options will carry the same rights in all respects and shall have the same voting, dividend, transfer and other rights, including those arising on liquidation as attached to the other fully-paid Shares in issue on the date of exercise.

(r) Effect of alterations to capital

In the event of any alteration in the capital structure of our Company whilst any option may become or remains exercisable, whether by way of capitalization issue, rights issue, open offer, consolidation, sub-division or reduction of share capital of our Company, or otherwise howsoever, such corresponding alterations (if any) shall be made in the number or nominal amount of Shares subject to any options so far as unexercised and/or the subscription price per Share of each outstanding option as the auditors of our Company or an independent financial advisor shall certify in writing to the Board to be in their/his opinion fair and reasonable in compliance with Rule 17.03(13) of the Listing Rules and the note thereto and the supplementary guidance issued by the Stock Exchange on September 5, 2005 and any future guidance and interpretation of the Listing Rules issued by the Stock Exchange from time to time and the note thereto. The capacity of the auditors of our Company or the approved independent financial advisor, as the case may be, in this paragraph is that of experts and not arbitrations and their certificate shall, in absence of manifest error, be final and conclusive and binding on our Company and the grantees.

Any such alterations will be made on the basis that a grantee shall have the same proportion of the issued share capital of our Company for which any grantee of an option is entitled to subscribe pursuant to the options held by him before such alteration and the aggregate subscription price payable on full exercise of any option is to remain as nearly as possible the same (and in any event not greater than) as it was before such event. No such alteration shall be made if the effect of which would be to enable a Share to be issued at less than its nominal value. The issue of securities as consideration in a transaction is not to be regarded as a circumstance requiring any such alterations.

(s) Expiry of option

An option shall lapse automatically and not be exercisable (to the extent not already exercised) on the earliest of:

(i) the date of expiry of the option as may be determined by the Board;

(ii) the expiry of any of the periods referred to in paragraphs (l), (m), (n), (o) or (p);

(iii) the date on which the scheme of arrangement of our Company referred to in paragraph (p) becomes effective;

(iv) subject to paragraph (o), the date of commencement of the winding-up of our Company;

(v) the date on which the grantee ceases to be an Eligible Participant by reason of such grantee's resignation from the employment of our Company or any of its subsidiaries or the termination of his or her employment or contract on any one or more of the grounds that he or she has been guilty of serious misconduct, or has been convicted of any criminal offence involving his or her integrity or honesty, or in relation to an employee of our Group (if so determined by the Board), or has been insolvent, bankrupt or has made compositions with his/her creditors generally or any other ground on which an employee would be entitled to terminate his employment at common law or pursuant to any applicable laws or under the grantee's service contract with our Group. A resolution of the Board to the effect that the employment of a grantee has or has not been terminated on one or more of the grounds specified in this paragraph shall be conclusive; or

(vi) the date on which the Board shall exercise our Company's right to cancel the option at any time after the grantee commits a breach of paragraph (i) above or the options are cancelled in accordance with paragraph (u) below.

(t) Alteration of the Share Option Scheme

The Share Option Scheme may be altered in any respect by resolution of the Board except that:

(i) any alteration to the advantage of the grantees or the Eligible Participants (as the case may be) in respect of the matters contained in Rule 17.03 of the Listing Rules; and

(ii) any material alteration to the terms and conditions of the Share Option Scheme or any change to the terms of options granted, shall first be approved by our Shareholders in general meeting provided that if the proposed alteration shall adversely affect any option granted or agreed to be granted prior to the date of alteration, such alteration shall be further subject to the grantees' approval in accordance with the terms of the Share Option Scheme. The amended terms of the Share Option Scheme shall still comply with Chapter 17 of the Listing Rules and any change to the authority of the Board in relation to any alteration to the terms of the Share Option Scheme must be approved by Shareholders in general meeting.

(u) Cancellation of options

Subject to paragraph (i) above, any cancellation of options granted but not exercised must be approved by the grantees of the relevant options in writing. For the avoidance of doubt, such approval is not required in the event any option is cancelled pursuant to paragraph (m).

(v) Termination of the Share Option Scheme

Our Company may by resolution in general meeting or the Board at any time terminate the Share Option Scheme and in such event no further option shall be offered but the provisions of the Share Option Scheme shall remain in force to the extent necessary to give effect to the exercise of any option granted prior thereto or otherwise as may be required in accordance with the provisions of the Share Option Scheme. Options granted prior to such termination but not yet exercised at the time of termination shall continue to be valid and exercisable in accordance with the Share Option Scheme.

(w) Administration of the Board

The Share Option Scheme shall be subject to the administration of the Board whose decision as to all matters arising in relation to the Share Option Scheme or its interpretation or effect (save as otherwise provided herein) shall be final and binding on all parties.

(x) Condition of the Share Option Scheme

The Share Option Scheme is conditional on:

(i) the Listing Committee of the Stock Exchange granting the listing of and permission to deal in our Shares which may fall to be issued pursuant to the exercise of options to be granted under the Share Option Scheme;

(ii) the obligations of the Underwriters under the Underwriting Agreements becoming unconditional (including, if relevant, as a result of the waiver of any such condition(s)) and not being terminated in accordance with the terms of the Underwriting Agreements or otherwise;

(iii) the commencement of dealings in our Shares on the Stock Exchange.

If the conditions in paragraph (x) above are not satisfied within two calendar months from the Adoption Date:

(i) the Share Option Scheme shall forthwith determine;

(ii) any option granted or agreed to be granted pursuant to the Share Option Scheme and any offer of such a grant shall be of no effect; and

(iii) no person shall be entitled to any rights or benefits or be under any obligations under or in respect of the Share Option Scheme or any option granted thereunder.

(y) Disclosure in annual and interim reports

Our Company will disclose details of the Share Option Scheme in its annual and interim reports including the number of options, date of grant, exercise price, exercise period and vesting period during the financial year/period in the annual/interim reports in accordance with the Listing Rules in force from time to time.

(z) Present status of the Share Option Scheme

As at the Latest Practicable Date, no option had been granted or agreed to be granted under the Share Option Scheme.

Application has been made to the Listing Committee of the Stock Exchange for the listing of and permission to deal in our Shares which may fall to be issued pursuant to the exercise of the options to be granted under the Share Option Scheme, being 400,000,000 Shares in total.

E. OTHER INFORMATION

1. Tax and other indemnities

Our Controlling Shareholders have entered into the Deed of Indemnity with and in favor of our Company (for itself and on behalf of its subsidiaries) (being the contract referred to in paragraph (d) of "B. Further information about our business — 1. Summary of material contracts" above) to provide indemnities on a joint and several basis in respect of, among other matters, (i) any liability for estate duty under the Estate Duty Ordinance (Chapter 111 of the Laws of Hong Kong), or legislation similar thereto in Hong Kong or any jurisdictions outside Hong Kong which might be incurred by any member of our Company on or before the Listing Date; (ii) taxation or taxation claims resulting from income, profits or gains earned, accrued or received to which any member of our Group may be subject on or before the date when the Global Offering becomes unconditional; and (iii) any claims, fines and other liabilities arising from any non-compliances relating to insufficient contribution to social insurance and housing provident funds during the Track Record Period as disclosed in "Business — Legal Proceedings and Compliance — Compliance with Laws and Regulations — Non-compliance Incidents — Failure to Make Adequate Social Insurance and Housing Provident Fund Contributions".

2. Litigation

Save as disclosed in the "Business" section, as of the Latest Practicable Date, no member of our Group was engaged in any litigation or arbitration of material importance and, so far as our Directors are aware, no litigation or claim of material importance is pending or threatened by or against any member of our Group.

3. Joint Sponsors

Each of the Joint Sponsors satisfies the independence criteria applicable to sponsor set out in Rule 3A.07 of the Listing Rules. The Joint Sponsors will receive an aggregate fee of USD900,000 for acting as the sponsors for the Listing.

The Joint Sponsors have made an application on our Company's behalf to the Listing Committee for the listing of, and permission to deal in, all the Shares in issue and to be issued as mentioned in this Prospectus (including any Shares which may be issued pursuant to the exercise of the Over-allotment Option and the Shares to be issued pursuant to the exercise of the options which may be granted pursuant to the Share Option Scheme). All necessary arrangements have been made for the Shares to be admitted into CCASS.

4. Preliminary expenses

The preliminary expenses relating to the incorporation of our Company are approximately USD3,089.95 and are payable by our Company.

5. No material adverse change

Our Directors confirm that there has been no material adverse change in our Group's financial or trading position since April 30, 2020 (being the date on which the latest audited combined financial information of our Group was prepared).

6. Promoter

Our Company has no promoter. Within the two years immediately preceding the date of this Prospectus, no cash, securities or other benefit has been paid, allotted or given nor are any proposed to be paid, allotted or given to any promoters in connection with the Global Offering and the related transactions described in this Prospectus.

7. Taxation of holders of Shares

(a) Hong Kong

The sale, purchase and transfer of Shares registered with our Company's Hong Kong branch register of members will be subject to Hong Kong stamp duty, the current rate charged on each of the purchaser and seller is 0.1% of the consideration or, if higher, the fair value of the Shares being sold or transferred. Profits from dealings in the Shares arising in or derived from Hong Kong may also be subject to Hong Kong profits tax.

(b) Cayman Islands

Under the present Cayman Islands law, there is no stamp duty payable in the Cayman Islands on transfers of Share.

(c) Consultation with professional advisors

Intending holders of the Shares are recommended to consult their professional advisors if they are in doubt as to the taxation implications of holding or disposing of or dealing in the Shares. It is emphasized that none of our Company, our Directors or the other parties involved in the Global Offering can accept responsibility for any tax effect on, or liabilities of, holders of Shares resulting from their holding or disposal of or dealing in Shares or exercise of any rights attaching to them.

8. Qualifications and consents of experts

The following are the qualifications of the experts who have given their opinions or advices which are contained in, or referred to in this Prospectus:

Name	Qualifications
ABCI Capital Limited	Licensed corporation under the SFO permitted to conduct type 1 (dealing in securities) and type 6 (advising on corporate finance) regulated activities as defined under the SFO
CLSA Capital Markets Limited	Licensed corporation under the SFO permitted to conduct type 4 (advising on securities) and type 6 (advising on corporate finance) regulated activities as defined under the SFO
Haitong International Capital Limited	Licensed corporation under the SFO permitted to conduct type 6 (advising on corporate finance) regulated activities as defined under the SFO
Ernst & Young	Certified Public Accountants
Maples and Calder (Hong Kong) LLP	Cayman Islands attorneys-at-law
Jingtian & Gongcheng	PRC Legal Advisors
Jones Lang LaSalle Corporate Appraisal and Advisory Limited	Industry consultant
Jones Lang LaSalle Corporate Appraisal and Advisory Limited	Property valuer
Zhong Lun Law Firm (Nanjing)	Special PRC Legal Advisors
Grandall Law Firm (Nanjing)	Special PRC Legal Advisors
Shaanxi Fengrui Law Firm	Special PRC Legal Advisors
RSM Consulting (Hong Kong) Limited	Internal Control Consultant
Guantao Law Firm Fuzhou Office	Special PRC Legal Advisors

Each of the experts named above has given and has not withdrawn its written consent to the issue of this Prospectus with copies of its reports, letters, opinions, summaries of opinions and/or references to its names included herein in the form and context in which they respectively appear.

9. Binding Effect

This Prospectus shall have the effect, if an application is made in pursuance hereof, of rendering all persons concerned bound by all of the provisions (other than the penal provisions) of sections 44A and 44B of the Companies (Winding Up and Miscellaneous Provisions) Ordinance so far as applicable.

10. Bilingual prospectus

The English language and Chinese language versions of this Prospectus are being published separately in reliance upon the exemption provided by section 4 of the Companies (Exemption of Companies and Prospectuses from Compliance with Provisions) Notice (Chapter 32L of the Laws of Hong Kong). In case of any discrepancies between the English language version and Chinese language version of this Prospectus, the English language version shall prevail.

11. Miscellaneous

(a) Save as disclosed in this Prospectus, within the two years immediately preceding the date of this Prospectus:

  (i) no share or loan capital of our Company or any of our subsidiaries has been issued or agreed to be issued fully or partly paid either for cash or for a consideration other than cash;

  (ii) no share or loan capital of our Company or any of our subsidiaries is under option or is agreed conditionally or unconditionally to be put under option;

  (iii) no commissions, discounts, brokerages or other special terms have been granted in connection with the issue or sale of any capital of our Company or any of our subsidiaries; and

  (iv) no commission has been paid or payable subscribing, agreeing to subscribe or procuring subscription or agreeing to procure subscription for any shares in our Company or any of our subsidiaries;

(b) no founder, management or deferred Shares nor any debenture in our Company or any of our subsidiaries have been issued or agreed to be issued;

(c) there has not been any interruption in the business of our Group which may have or has had a significant effect on the financial position of our Group in the 12 months preceding the date of this Prospectus;

(d) the principal register of members of our Company will be maintained in the Cayman Islands by Tricor Services (Cayman Islands) Limited at Second Floor, Century Yard, Cricket Square P.O. Box 902, Grand Cayman, KY1-1103, Cayman Islands and a branch register of members of our Company will be maintained in Hong Kong by Tricor Investor Services Limited. Unless our Directors otherwise agree, all transfer and other documents of title of Shares must be lodged for registration with and registered by the Hong Kong Branch Share Registrar and may not be lodged in the Cayman Islands. All necessary arrangements have been made to enable the Shares to be admitted to CCASS;

(e) no company within our Group is presently listed on any stock exchange or traded on any trading system;

(f) our Directors have been advised that under Cayman Islands law the use of a Chinese name by our Company in conjunction with the English name does not contravene Cayman Islands law;

(g) none of the persons whose names are listed in "8. Qualifications and consents of experts" under this Appendix V:

  (i) is interested beneficially or non-beneficially in any shares in any member of our Group; or

  (ii) has any right or option (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for any securities in any member of our Group;

(h) there is no restriction affecting the remittance of profits or repatriation of capital into Hong Kong and from outside Hong Kong; and

(i) there is no arrangement under which future dividends are waived or agreed to be waived.

A. DOCUMENTS DELIVERED TO THE REGISTRAR OF COMPANIES

The documents attached to the copy of this Prospectus delivered to the Registrar of Companies in Hong Kong for registration were, among other documents, copies of the **WHITE**, **YELLOW**, and **GREEN** application forms, certified copies of the written consents referred to in "E. Other Information — 8. Qualifications and consents of experts" in Appendix V to this Prospectus, and certified copies of the material contracts referred to in "B. Further information about our business — 1. Summary of material contracts" in Appendix V to this Prospectus.

B. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents will be available for inspection at the offices of Sidley Austin at Level 39, Two International Finance Centre, 8 Finance Street, Central, Hong Kong during normal business hours from 9:30 a.m. to 5:30 p.m. up to and including the date which is 14 days from the date of this Prospectus:

(i) the Memorandum of Association and the Articles of Association;

(ii) the Accountants' Report from Ernst & Young, the texts of which are set out in Appendix I to this Prospectus;

(iii) the report from Ernst & Young in respect of the unaudited pro forma financial information, the text of which is set out in Appendix II to this Prospectus;

(iv) the audited consolidated financial statements of our Group for the three years ended December 31, 2019 and four months ended April 30, 2020;

(v) the letter of advice from Maples and Calder (Hong Kong) LLP, our Cayman legal advisors, summarizing certain aspects of the Cayman Islands Company Law referred to in "Summary of the Constitution of the Company and Cayman Islands Law" in Appendix III to this Prospectus;

(vi) the Cayman Islands Companies Law;

(vii) copies of material contracts referred to in "B. Further information about our business — 1. Summary of material contracts" in Appendix V to this Prospectus;

(viii) the written consents referred to in "D. Other Information — 8. Qualifications and consents of experts" in Appendix V to this Prospectus;

(ix) the service contracts or letters of appointment entered into between our Company and each of the Directors (as applicable);

(x) the industry report prepared by Jones Lang LaSalle Corporate Appraisal and Advisory Limited referred to in the section headed "Industry Overview" of this Prospectus;

(xi) the PRC legal opinions issued by Jingtian & Gongcheng, legal advisors to our Company as to PRC laws;

(xii) the property valuation report issued by Jones Lang LaSalle Corporate Appraisal and Advisory Limited, the text of which is set out in Appendix III to this Prospectus;

(xiii) the legal opinion issued by Zhong Lun Law Firm (Nanjing), special legal advisors to our Company as to PRC Laws, with respect to the arbitration with Yancheng Land Administrative Authorities;

(xiv) the legal opinion issued by Grandall Law Firm (Nanjing), special legal advisors to our Company as to PRC Laws, with respect to the litigation with Quanzhou Yimin Construction Development Company Limited and Ms. He Danping;

(xv) the legal opinion issued by Shaanxi Fengrui Law Firm, special legal advisors to our Company as to PRC Laws, with respect to the litigation with Shaanxi Shiji Chuntian Property Development Company Limited ;

(xvi) the legal opinion issued by Guantao Law Firm Fuzhou Office, special legal advisors to our Company as to PRC Laws, with respect to the litigation with 157 property purchasers of Longyuan (瓏園) Project; and

(xvii) the rules of Share Option Scheme.

金輝控股
RADIANCE HOLDINGS

金輝控股(集團)有限公司
Radiance Holdings (Group) Company Limited